



Bill Wrigley's \$8,000,000 dividend is already tucked away in the bank. Page 194.

**What National Cellulose Tells Salesmen
Who Want to Cut Prices . . . An Interview
With Bill Wrigley, Jr. . . . Profit Clinics**

ENTY CENTS

umber 7, 1931

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★ New Orleans today offers a unique opportunity for profitable sales effort. There is more money *waiting to be spent* than ever before. People haven't quit buying—they are simply buying more carefully, more shrewdly. Advertising is read more closely. If your merchandise is right, now is the time to *tell them and sell them*.

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The Times-Picayune

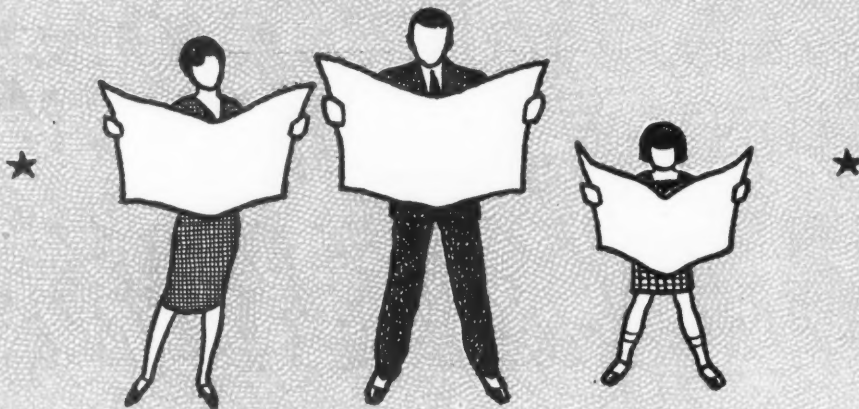
NEW ORLEANS

Member Associated Press.

Member Major Market Newspapers, Inc.

Representatives: CONE, ROTHENBURG and NOBE, INC.

Pacific Coast Representatives: R. J. BIDWELL Co.



--NEW ORLEANS IS A TIMES-PICAYUNE TOWN!--

Will the voice of your business *rise above the din of 1932?*

AN OPEN LETTER TO THE CLEAR-THINKING BUSINESS MEN OF AMERICA—ELEVENTH OF A SERIES

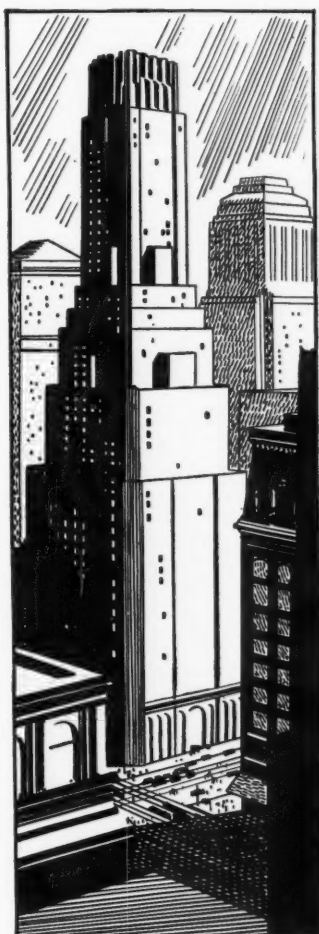
THE year just ahead will be a busy and noisy one. Think of the many changes brewing — in international relations, in domestic politics, in public and private finance, in the thought and activity of all the people.

Times of tension invariably raise the interest and value of *The Literary Digest*. Its impartially gathered information on topics of the day is a veritable fountain of knowledge to the serious, fact-hungry people who want to know both sides of every important question.

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The Digest enters the best million homes with telephones, a market that buys two-thirds of all advertised products — and buys them first. *The Digest* interests progressive people only, people of active mind, high standards and broad interests. It selects from our melting-pot millions the great, solid central class (made up of families much like your own).

Next year, when the tempo of events speeds up, *The Digest* will be more interesting and more vivid and more important to more such people than ever before. Next year, advertisers will feel *The Digest's* tightened grip in terms of business done.

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Keep your prospects as well posted as *The Digest* keeps its readers. Send them your very latest news, every week in the year, by special messenger!

The Literary Digest has shown that quality circulation does not necessarily come in small packages. Over 70% of its subscribers are executives, owners of businesses or professional people. *The Digest* reaches 36% of all families of \$10,000 income and over,

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For 1932, advertisers buy a guaranteed average circulation of 1,400,000 preferred prospects. Ask for rates and further facts.

★ The Literary Digest ★

S O U N D I N G - B O A R D O F A M E R I C A N O P I N I O N

Published every Saturday and copyrighted by SALES MANAGEMENT, INC., 420 Lexington Ave., New York, N. Y. Subscription price, \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office at New York, N. Y., under the Act of March, 3, 1879. Volume XXVIII, No. 6.

*Our manager routed
his list of prospects*



... and HE
covered the city
in one day less

BBROWN was given a new list of prospects. An appointment in another city cut down his available time. He called for help. Our manager arranged his list so that he was able to leave that night. We lost a guest? Yes, temporarily... but we found another extra way to serve the experienced business man, who always makes his headquarters at United Hotels.



*This free credit coin
also saves your time*

Its instant identification stops "check-cashing delays" in 24 important cities. No one can use this coin except the original owner. Add five minutes to your business days on the road... with a United Hotel Credit Coin.

UNITED HOTELS

WORTH CLIPPING

Business Promotion Department
United Hotels Co., Niagara Falls, N. Y.
Send me complete data and application
blank for your Credit Coin.

Name _____
Address _____

Survey of Surveys

BY WALTER MANN

Erwin-Wasey on 370 Major U. S. Markets

"It has been recognized for several years," says the preface to this Erwin & Wasey study, "that the large cities of our country occupy a position in retail trade much more important than is indicated by their population. Not only has there



Pirie-McDonald
Walter Mann

been a steady trend of movement from the farm and small town to the large city, but constantly increasing ownership of automobiles combined with increasing paved-road mileage has resulted in more families traveling further from home to do the major portion of their buying. "In realization of the importance of the larger cities we have seen the introduction and wide acceptance of the trading area principle or the buying center theory. Many marketing plans have been made available, and all of them have been valuable contributions to the advancement of sound distribution of merchandise.

"The common weakness of all plans has been a lack of actual facts concerning the volume of retail sales in cities of various sizes, and it was in recognition of this fault that the movement for a Census of Retail and Wholesale Distribution was initiated. Now, for the first time, reliable data on retail sales are being released as rapidly as possible by the Department of Commerce."

In the data sheets (and the map) that follow these statements it develops that Erwin-Wasey has prepared a market analysis of each state and of each city of 25,000 or more in population, based on these retail and wholesale census figures. This material permits, they say, for the first time, a definite appraisal of each state and city from a retail sales standpoint, and it discloses some very interesting conditions.

Total retail sales in 1929 amounted to approximately fifty billion dollars, and the per capita expenditure of the 122 millions of people was \$408.00. However, there is a very considerable difference in the per capita expenditure of the people in different states and cities. In South Carolina, for example, the figure is \$171.98, while in New York and California it is \$575.00.

The lack of relationship between geographical area and retail sales is emphasized by comparing a group of ten compact, well-populated states as follows: New York, Pennsylvania, Illinois, Ohio, Massachusetts, New Jersey, Connecticut, Rhode Island, Michigan and Indiana. While these states are only slightly larger in their combined area than the state of Texas, we find that they contain 52.7 per cent of all retail sales in the country.

Included in their list of 370 major markets are ninety-three cities with a population of more than 100,000. Within these cities and not including any surrounding suburban area, 45 per cent of the country's retail business was conducted in 1929. Within the 370 cities included in this report, 59.5 per cent of all retail sales may be found.

In the data sheets included therein the importance of each state and of each major city within the state is shown by a percentage indicating its relation to the country as a whole. In addition, the relation of retail sales for each city to total sales for the state is shown by a percentage figure.

For example, if your product is one that is distributed nationally, you should be securing at least 7.38 per cent of your total sales from the state of Illinois, and 4.3 per cent from the city of Chicago. Your city sales in Chicago should be 58.4 per cent of the state of Illinois.

The data secured in the Census of Distribution, the report states, are also being broken down for all important commodities so that eventually a market student will be able to determine the exact amount of sales in each city, county or state, and the number and type of retail outlets involved in the sales. To date only the total sales of stores have been released, but these permit many interesting analyses.

Erwin-Wasey's Research Department is glad, according to the preface, to work with any concern whose business seems to offer an opportunity to use such an analysis in developing sound figures along those lines. Write Erwin-Wasey & Co., 230 N. Michigan Avenue, Chicago.

State Street Stores and the W.G.N.

A broadside from the Chicago *Tribune* states (without statistics) that there are more sales per day per square yard of area on State Street than in any other retail center in the world.

The broadside then goes on to say (with superb statistics*) that an analysis of the total lineage of the nine leading State Street stores for the first seven months of 1931, i.e., Boston Store, Carson, Pirie, Scott & Co., Davis Company, The Fair, Henry C. Lytton & Sons, Mandel Brothers, Marshall Field & Company, Maurice L. Rothschild and Chas. A. Stevens & Brothers, each placed more lineage in the Chicago *Tribune* than in any other paper! Who said that housewives and homemakers don't read the morning papers as thoroughly as they do the afternoon papers? Can nine leading Chicago State Street stores, buying nineteen hundred thousand lines of *Tribune* daily advertising and some six hundred thousand lines of Sunday advertising, be wrong?

A 28-page "Survey of the Educational Market"—the fourth of a series of such surveys—gives interesting facts about the extraordinary ramifications of that market. Write to the Normal Instructor, care F. A. Owen Publishing Co., Dansville, N. Y., for your copy. Well worth reading.

* Advertising Records, Inc.

What's New

Bill Wrigley, secure in the knowledge that his entire year's dividend had been earned ("and the money's in the bank!") by October 1, talks sales, advertising, and baseball to a SALES MANAGEMENT reporter. Page 194.

In times like these, salesmen are likely to spend a good bit of time writing to the house complaining that "our prices are too high." What Joseph Englander, vice-president, National Cellulose Corporation, tells men whose alibis run thus, is summarized on page 197.

Coming next week: An important new department for SALES MANAGEMENT readers.

Coming soon: an article by Paul Hoffman, vice-president, The Studebaker Corporation.

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Sales Management

Vol. XXVIII. No. 6

November 7, 1931

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Sales Letters

BY MAXWELL DROKE

On Tooting One's Own Tuba

One of my correspondents, whose interest I deeply appreciate, sends me a letter from Ross Crane, the interior decorator, of Chicago, from which I quote substantially below:

"I write to extend you a personal invitation to inspect Color Scheme Ensembles I have originated for Living Rooms.

"These ensembles have just come in today from Grand Rapids and are now on display at . . . My thirty years' experience in interior decoration are practically illustrated in these Ensembles. I personally designed each piece of furniture and selected the lamps, draperies, pictures and rugs, bringing all into one harmonious ensemble. . . .



Maxwell Droke

"I will be at . . . on Wednesday and will be pleased to explain the many new features of these attractive pieces. I hope it will be convenient for you to drop in . . . and bring your friends."

My correspondent points out that this letter contains six "I's," one "my" and three "you's", and asks if I do not look upon it as a terrible example. My candid response is that I do not. This should not be taken as an inference that I hold any brief for this particular letter. I happen to know that Mr. Ross Crane is a gentleman who can speak most engagingly on the subject of interior decoration. I do not think he has done himself justice in this rather colorless letter concerning his Color Scheme Ensembles. But I do not object to the letter on the ground that it is sprinkled with perpendicular pronouns.

I am quite in accord with those who hold that letters should be written from the point of view of the reader; but this is a fundamental consideration which goes much deeper than the selection of pronouns. A letter from which every "I" and "we" has been religiously struck may still be sadly lacking in reader interest, while another, plentifully peppered with these objectionables, may hold the prospect because it is aimed directly at his interests, prejudices or ambitions.

In this case, there is still another consideration. Ross Crane is a nationally-known authority. For many years his name has been associated with noteworthy achievements in interior decoration. It would be false modesty for him to assume that this well-advertised name carries no weight. He was, I think, entirely right in emphasizing the first person singular. The creative artist is always at a distinct disadvantage in marketing his wares or services. If he is too modest he gets nowhere in competition with lesser lights who have a flair for the spotlights; yet, if he toots

his tuba too obstreperously he is fairly certain to be termed a braggart. Probably the most satisfactory method is the familiar "two-man game" in which A does the work while B tells the world what a remarkable genius his associate is.

A Good-Will Gesture

From the Abbott Laboratories comes a most interesting leaflet prepared for distribution through a selected list of prescription drug stores. It is captioned "The Most Precious Piece of Paper in the World." I quote a portion of the text:

"A prescription blank is just a bit of paper; its value the merest fraction of a cent.

"Your physician makes a few notations on that blank, signs his name—and straightaway it becomes, to you, *the most precious piece of paper in the world*. It is now a prescription—a symbol of health, happiness, all that you hold near and dear.

"And what are you going to do with this prescription? Why, you are going to have it filled, to be sure.

"Where? Does it really matter, very much? Any drug store can fill a prescription, you say. And you are quite right.

"Any doctor can *write* a prescription, too. Yet you seek instinctively a physician in whom you have implicit confidence."

Subsequent text points out that a doctor's prescription represents years of study, service and skill, and emphasizes the logic of seeking a druggist who has the ability and dependability to carry out the doctor's commands. The leaflet contains no advertising whatever for Abbott; is furnished selected druggists purely as a good-will gesture. C. R. Jackson, Abbott advertising manager, tells me that more than 300,000 have been distributed and that the reaction is highly encouraging.

Tell the World Your "Line"

"Why I didn't know you handled that!" is a comment familiar to almost every merchant and manufacturer. And many an order is lost because the customer, who would like to favor you, doesn't realize that his prospective purchase is "in your line." To offset this situation, Clyde A. Bowers, president of the Bowers Envelope & Lithographing Company, recently sent this letter to regular customers and to a selected list of prospects:

"Next door to me lives an insurance man.

"Strange as it may seem, he goes to every corner of this city for business, but never thinks of calling on me.

"Not wishing to be guilty of such a gross oversight, I just wondered if you are familiar with everything we are able to supply you. With this in view, I am enclosing a little card listing our various lines. Will you look it over and see if there are not some additional items which we might furnish you to our mutual advantage.

"Wouldn't it be much easier for you to order everything you can from one source?"

Revival-of-Old-Ideas Week

About a year ago, I commented on a sales plan developed by the Canadian Johnson Motor Company, whereby they offered to overhaul outboard motors during the dull winter months, providing the customer free storage until July first. I have just received a note from Sales Manager H. J. White, who tells me that the plan worked so well it is being repeated this season. The current letter carries testimonials from those who used the service last season, and I am gratified to learn that "a goodly number of motors" have already been received.

I mention this Canadian Johnson incident as a sort of general reminder that good plans which have proved their worth should be resurrected and repeated. But few people, apparently, consider the possibility of following up such ideas and reaping a repetition of the profits. Everybody is too busy looking for a new idea. If there are any weeks in the year that have not already been copped and catalogued, I make bold to suggest a Revival-of-Old-Ideas Week.

Memorials and Merriment

I am intrigued with the suggestion which Martin L. Davey drops in a letter dated October 7. He asks if I would be interested in having some big trees moved on my place, and adds, "Why not plant a big tree in honor of some member of the family?" There's an idea! The plan has possibilities. Already I can think of several very fitting symbols: For example, a slippery elm for Uncle Elmer who wriggled out of that indictment for horse-stealing back in the nineties; a weeping willow for Cousin Minnie, whose idea of a high time is a matinee performance of some tear-jerking movie; a tightbark hickory for Grandpa Hooftbarger, who still has his first nickel, along with most of those garnered in the interval; and, of course, a free-flowing sap maple for Father, who foots all of the bills!

Back-slapping Letters Taboo

Just the other day a man whom I have never met, and with whom I had exchanged only a couple of letters, wrote me:

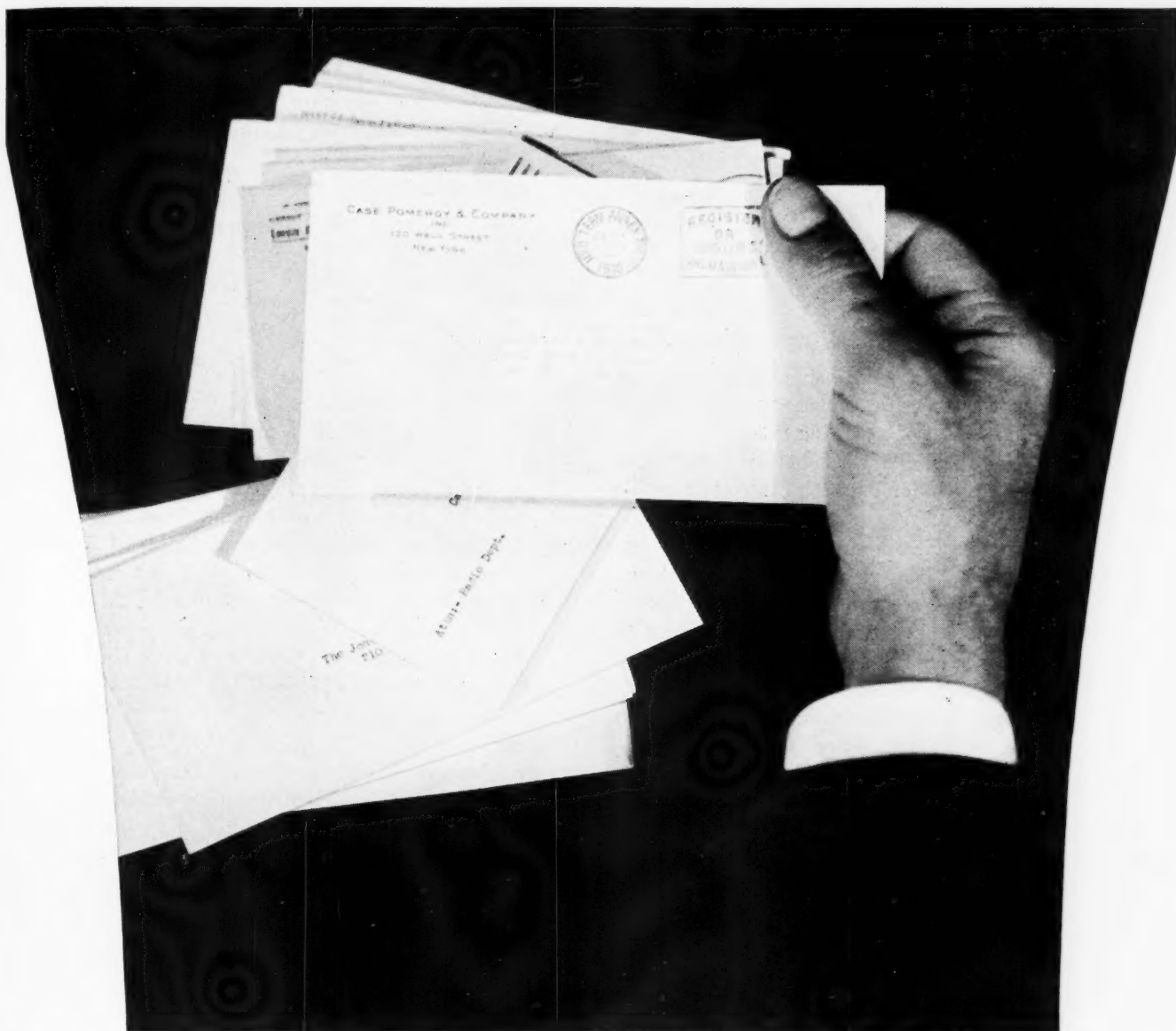
"Your letter of the 27th sure handed me a jolt. You've got our proposition all wrong, and I want to set you right on it. . . ."

Now, that is the sort of informality against which I battle!

Excelsior!

There has been a most gratifying increase in the number of communications received from readers, gentle and otherwise. But like the lad who passed through the Alpine village as the shades of night were falling fast, we press on to still greater heights. Our banner, held high, carries the same advice. . . . Send in *your* letters for comment and criticism!

CRANE'S JAPANESE LINEN



Isn't it a satisfaction to know that the best paper* for the great bulk of business letters is also a product of the mills which have been making Crane's Bond for 130 years?

**Crane's Japanese Linen is made for the general correspondence of businesses that wish to save on paper costs and still remain on a Crane basis of quality. Contrast this fine paper with any other in its price range. The Crane tradition of distinction and integrity counts in everything but the price.*

CRANE & CO. INC. • DALTON, MASSACHUSETTS

TEST TOWN!

... Oh yeah?



"**W**E WERE a wow in Hohokus. We panicked 'em," asserted the young man with the soiled vest and the conspicuous gold teeth. He was the more aggressive but less valuable half of a dancing team.

But the booking agent didn't panic. It takes more than a wow in Hohokus to win a forty week contract on the big time circuit.

Vaudeville acts, theatrical productions and new products often start in Hohokus. The vaudevillian and producer, however, don't care much about the reaction of the Hohokus public. They start in the sticks to work into the act, to polish the performance. But the product manufacturer calls Hohokus a "test town" and thinks he is making an experiment in marketing. He depends on Hohokus to tell him whether the new product is a wow or not.

Hohokus may be a lot of places, a town of a few thousand people or a city in the half million bracket. It is a small sales territory, which can be covered quickly. It may have a newspaper, in which a small, scared schedule of tentative advertising is run. The retailers may or may not be high-pressured into stocking the new article. The advertising runs. Sales may follow, or may not. And what of it?

If the effort is a flop—does it prove that the product is?

If the "test" is successful—does it prove that the great national market will buy?

There are 123,000,000 people in this country—all kinds of people. The inhabitants of Hohokus, Ohio, are not par, standard or interchangeable with the sun kissed sons of California, the Detroit mechanic, the fifth generation German of Pennsylvania, the slow speaking Southerner, the Kansas dirt farmer, the cautious New Englander or the Chicago business man. Climate, race, color, creed, and origin; occupation, mental outlook, local taste—all complicate the marketing problem.

Hohokus is too small a sample, too thin a test tube, too narrow a slice for a national marketing laboratory.

THERE IS only one worthwhile Hohokus, one real test town in this country. Its name is New York.

New York City and its suburban zone include 11,000,000 people—almost ten percent of the national total. New York's population is made up from the whole country, a generous portion of all nationalities and native sons from every state. New York carries the whole stock of the national catalog.

Sell New York—and you prove something! Sell New York—and you start with a profit. Sell New York—and you know that the rest of the country will buy. Sell New York—and you have a running start in the national market.

Sell New York—and your volume is as much as hundreds of smaller markets combined! Sell New York—and reach more customers per dollar spent, per working day, per salesman, sell more cases per square mile and per outlet!

If the product is right—New York will prove how much market it has, how much the rest of these United States will buy it. And if the product isn't right—well, why try to sell it in the first place?

Today, in particular, think of New York as your test town. More people here, more money here, more jobs, more buying, more consumption than you can find anywhere else.

AND ANOTHER advantage of New York as a test town—you have The News. One newspaper that wraps up this market in a single package, one medium that *alone* can sell this market. It reaches two out of three city families, one of five in the suburbs. It reaches all kinds of families—more in every neighborhood, social grade, age group and income bracket than any other paper. It reaches a majority of customers, too—and the New York retailer knows it does!

Its small page gives full value to your advertising, brings it to more eyes and minds and pocketbooks.

And it still has the lowest milline in this market—a 1928 rate with 1931 circulations. The daily circulation is more than 1,360,000 copies—160,000 above the rate basis; and the Sunday circulation exceeds 1,690,000—240,000 copies above the rate basis. Finally, remember this: it works—even in these times. It is one of the few newspapers in this country that has shown advertising gains every month for the past two years, and for ten years before the last depressed two.

The News can test New York—now, at a profit.

THE NEWS
NEW YORK'S PICTURE NEWSPAPER
220 EAST 42nd STREET, NEW YORK CITY
Tribune Tower, Chicago + Kohl Building, San Francisco

Significant Trends

As seen by the editors of Sales Management for the week ending November 7, 1931:

• • • Trade continues its slow upward progress, spurred forward here and there by advertising drives and special sales. From many parts of the country, however, come reports of retardation due to unseasonably warm weather rather than to poor business conditions.

• • • "Recovery is under way, slow in general, but quite active in numerous instances," according to the annual trade survey of the National Association of Manufacturers.

• • • Distinct evidence of quickening in the pace of business was reported this week in an extended synopsis of despatches sent out by the Associated Press. The encouraging tremor was common to all major areas, but was especially emphatic in New England.

• • • An advance of more than 35 per cent in the price of wheat in the last few weeks may be the result mainly of speculative buying. But it illustrates the swift changes to which greatly depressed commodities are prone when conditions become at all favorable.

• • • The November review of business conditions by the Federal Reserve agent in New York says that September sales of department stores receded 12.5 per cent over last year, about the same decline as was noted in August. Chain store sales were off 2 per cent, 1 per cent less than in August, although sales per store were down 5 per cent. Wholesalers' sales were 20 per cent less, a slight improvement over August.

• • • Christmas plans are being formulated by the promotion division of the National Retail Dry Goods Association. The underlying suggestion for an appeal which has been received with most favor is contained in the phrase, "Make This a Happy Christmas Despite the Depression." Calling upon the public to promote prosperity by buying seems to have petered out.

• • • The average price of commodities did not change last week, the Irving Fisher index number remaining at 68.5, the same as the week before. England also enjoyed a respite from price fluctuations.

• • • Railroad freight loadings in the week ended October 24 amounted to 769,673 cars, an increase of 7,954 cars over the previous week.

• • • The general index number of business activity sagged last week to the lowest point of the year. A sharp decline in electric power production was the most unfavorable element. Sustaining factors were the adjusted figures on automobile production and freight car loadings.

• • • Net profits of 205 industrial corporations in the third quarter were \$97,000,000, according to a National City Bank (New York) compilation, compared with \$167,000,000 in the second quarter and \$192,000,000 in the third quarter of 1930. For nine months the same corporations earned \$392,526,000, 47 per cent less than

last year. Gains were shown by textiles, 28.6 per cent, and by coal mining companies, 15.5 per cent.

• • • Dividends declared in October by 924 corporations amounted to \$224,023,007 compared with \$310,112,902 disbursed by the same companies in October, 1930—a 28 per cent reduction.

• • • Coca-Cola's earnings in the September quarter—\$4,503,781—were 5.3 per cent more than in the same period last year and exceeded those of any previous third quarter. For nine months net income before taxes amounted to \$12,599,997, a gain of 4.1 per cent.

• • • Automobile makers deplore talk of a sales tax on their product on the ground that it would jeopardize the power of the replacement demand now gathering force to play an important part in restoring prosperity.

• • • National Wool Week will be observed in forty-five urban communities early this month, under the slogan, "All Wool and Nation-wide."

• • • The National Canners' Association in collaboration with various tin companies started this week an extensive advertising campaign designed to remove any remaining prejudices against tin containers for food substances.

• • • A good deal of favorable comment has been heard this week on the suggestion of Joseph Appel, sales manager of John Wanamaker, New York, that a national conference be called to consider fair play in advertising.

• • • W. E. Humphreys, of the Federal Trade Commission, strongly endorses the suggestion of a trade practice conference of the advertising industry. He says it could do nothing but good.

• • • A good many September quarter income statements reflect unusually heavy deductions for depreciation and in some cases for betterments. Bethlehem Steel, for example, charged off practically as much—\$3,526,781—in the third quarter of this year as it did for the same period in 1930, although total income was a third less in 1931. Some managements use bad statements as a dumping place.

• • • The census of radio sets taken in connection with the population census has now been completed in forty-five states and the District of Columbia, the missing states being New York, Pennsylvania and Illinois. Estimating the returns from these states, the total number of sets in April, 1930, is now put at 12,564,000—about 2,000,000 more than was computed from the earlier returns.

• • • Ford Motor announces that it has reduced its minimum wage base from \$7 to \$6 a day to meet existing conditions. The \$7 rate was adopted in December, 1929, as an emergency measure. New York Central Railroad is consulting its men about a 10 per cent cut to meet the emergency in railroad earnings. (An editorial note on this subject will be found on page 214.)



"Myrt"

Bill Wrigley, ears deafened to depression talk, blazed away this year with the same aggressive, persistent tactics of boom years and more advertising than ever. By October 1 he had earned the company's full dividend requirements for all of 1931—\$8,000,000. Just to keep things from lagging he started a new \$1,000,000 radio campaign this week.

Based on an interview
by Lester B. Colby with

WILLIAM WRIGLEY, JR.

Chairman of the Board, William
Wrigley, Jr., Company, Chicago

HE said he was rather busy. He had just been getting out his mail. But he smiled, genially, and guessed he could give a few minutes. He has smiled much, on many men, in his years.

I asked about the mail he was getting out. It was this:

A letter to 900,000 retailers.

Ditto, to 43,000 jobber salesmen.

Ditto, to 20,000 jobbers.

Cost, about \$30,000.

This mailing, he said casually, went to thirteen classes of trade. No other trade list, an assistant commented, contains half so many names. A similar mailing goes out each month. And that, I would suggest, is a giant

Chewing Gum's Licks His

attention to one phase of business detail.

The man behind this amazing use of postage stamps has spent \$90,000,000 in advertising. He believes in advertising. His long-time slogan has been:

"Tell 'em quick and tell 'em often."

Men are dying every day, men are being born every day and men forget quickly. You mustn't forget these facts.

The man behind this compendium of facts remarked to me that he smokes a pipe and chews gum at the same time; sleeps every night with a wad of gum in his mouth so that he can chew a bit right handily if he awakens in the night—and has never swallowed a cud.

In case your curiosity has been sufficiently aroused I will tell you who this man is. He is "Bill" Wrigley, chairman of the board of the William Wrigley, Jr., Company. He took the road as a salesman when he was thirteen years old, selling soap. What happened the world pretty much knows.

I was interested in the current letter, which he is sending out to almost a million retailers, and talked him out of a copy. It was headed, "What the Retail Merchant's 'Good Will' Means to Me."

Here it is:

"This letter to you is from a man who has spent fifty years on the firing line of business activity. The writer claims he has met face to face more retail merchants than any other man in the world. This is a big statement to make—but it has the advantage that it is impossible to either prove or disprove—so that's that.

"The writer has often wondered if

retail merchants realize what a tremendous power they have when taken collectively—the enormous value of their 'good will' to any manufacturer of a nationally advertised article. My company has always been alive to this fact—many of you know it.

"Good will that is lasting cannot be bought—it has to be earned—year after year with no let-up of effort.

"The policy my factories follow in all parts of the world in which they



Wide World Photo

are located has been—and is—"The customer is always right." This policy creates situations at times which are hard to swallow, but I think the continued success of our business for forty years has proved it to be the right policy.

"I am constantly asked by people interested in business how it is possible for the Wrigley Company to

Star Salesman

1931 "Quota"

make combination offers from time to time—which seem financial impossibilities when the value offered is considered. The answer is *volume*. We are able to buy in lots of one million pieces and give the dealer this same advantage in lots of one.

"To go back to 'Good Will'—that of a single retail dealer is valuable—but think what it means to any manufacturer to have the 'good will' and co-operation of a million like you. My long experience has taught me that the most valuable asset a manufacturer can have is the dealer's 'good will' and he must keep it to continue to be successful. This applies in just the same manner to every dealer and his customers."

The letter is a tie-in with Wrigley's present combination safety razor and gum offer—the nineteen carloads of Gem razors and blades recently pur-

chased. One razor and five blades, in a box, go to each dealer who buys one box of Spearmint, one box of Juicy Fruit and one box of Doublemint, resale value of gum alone \$3.

The deal costs the dealer \$2 and he can keep the razor or sell it as he chooses.

William Wrigley has always been a strong believer in combination deals. He has always been a strong believer in doing things in panic times. Back in 1907, when practically every great national advertiser was pussy-footing and back-pedaling, he slipped into New York and in three days bought up \$1,500,000 worth of advertising space.

At that time he offered a box of gum free to any dealer who would present a coupon which he sent out to any jobber. The advertising and the free gum put the dealers on their ears. His business soon was doubled and trebled.

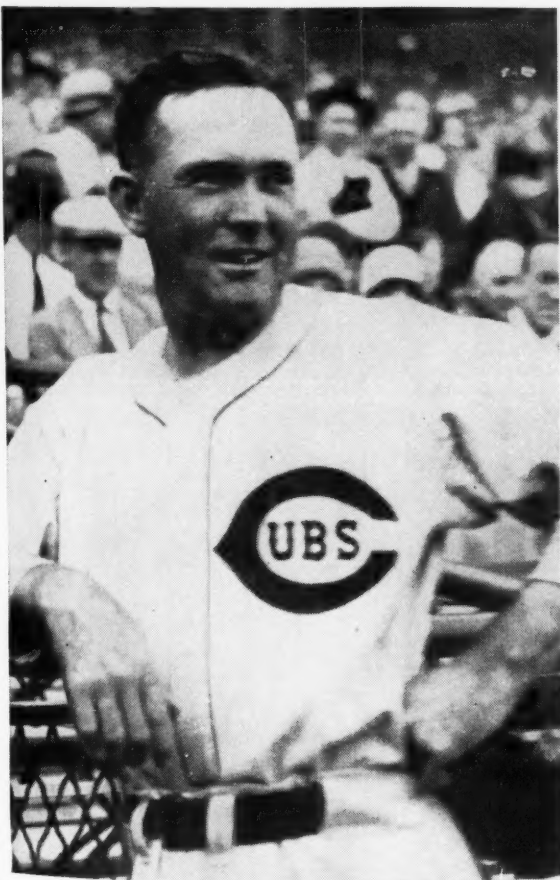
And right here William Wrigley, Jr., stopped to give me a bit of news. "It hasn't been printed yet," he said. This is the news:

"The William Wrigley, Jr., Company, in this year of depression, earned its full dividend requirements for 1931 by October 1. It is a sizable requirement, too, \$8,000,000, and the money is in the bank in cash."

And on the subject of panic, alias depression, Mr. Wrigley commented further.

"Now's the time to

No interview with Bill Wrigley is complete without some reference to his dearest hobby—the Chicago Cubs. Here he is in the stand with Rogers Hornsby.



Wide World Photo



"Marge"

For two long years the networks experts have been tantalized by the knowledge that Wrigley would be broadcasting if somebody were smart enough to sell him an idea. Then along came "Myrt"—idea, script, enthusiasm. Before her interview with Wrigley was over, she had landed a contract for a coast to coast broadcast five times a week.

buy good stocks and lay 'em away. In the last thirty days I've bought outright \$2,500,000 worth of stocks and have 'em in the box. Anyone who monkeys with margin accounts in times like these needs his head examined."

He unloosed himself a bit on the subject of bears. I gathered that he isn't fond of them—in times like these. And he commented on something else:

"You can't pick up a newspaper without reading that 5,000,000 men are out of work. That figure means, of course, that 5,000,000 men, and their families, are troubled; probably 15,000,000 persons affected.

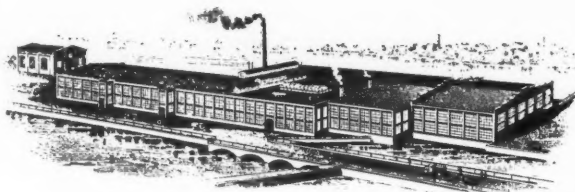
"But, somehow, the papers keep neglecting to say anything at all about the well over 100,000,000 persons whose employment has continued and who are not much touched by conditions beyond the continuous fear that is being implanted in them.

"Editors everywhere, of every kind, would do well if they would start out to hunt the good and the solid rather than the black."

(Continued on page 218)

National Cellulose Corporation

Makers of



Executive Office
366 Fifth Avenue
New York, N.Y.

Mills at
Baldwinsville, N.Y.

New York, N.Y.

Mr. Edward Marshall,
Hotel Radisson,
Minneapolis, Minn.

Dear Ed:

Due to the lowered cost of raw materials, we, as well as our competitors, were put in a position to reduce our prices to the trade, but a great many buyers, through short-sightedness on their part, started the old squeezing game, with the result that some of our weak-kneed competitors are offering merchandise at prices below the cost of manufacturing.

This does not only apply to our line, but applies to a great many other lines, and I believe that the salesman of today has a mission which is more than selling, and that is to restore confidence, thereby hastening the return of normalcy.

Ed, please read Mr. Englander's analysis carefully, (if you want more copies you may have them) and carry the message to as many buyers as you possibly can. They will see the wisdom of the arguments. Let some of your brother salesmen read it - they will help you spread this gospel. It is constructive.

Our business is good because we have the good will of our customers, and their confidence. Let us keep it so; let us give them sound reasons why it is not only against our interest to slash prices, but why it is equally harmful to them.

The price of our product to our customers is determined by the following:

1. Cost of raw materials
2. Cost of manufacturing, administration and distribution, which includes you and me.
3. Miscellaneous expenses, such as taxes and depreciation.
4. Interest on capital invested (not watered stock).
5. A fair profit.

I have shown Mr. Englander's analysis to several merchandise men, and to some big buyers, and the effect was all that I could hope for.

Try it yourself and carry on.

Cordially yours,

NATIONAL CELLULOSE CORPORATION

Sales Manager

What We Are Telling the Salesman Who Is Begging Us to Slash Prices

"We'll never lick depression by price-squeezing," says Mr. Englander, in a special message to his men which explains why the National Cellulose Corporation is sticking to its price guns and insisting on a fair profit on its goods. No timid compromising here!

BY JOSEPH ENGLANDER

*Vice-president, National Cellulose Corporation,
Baldwinsville, N. Y.*

(Any company that is being bombarded with requests from its salesmen to cut the price on its products "because competition is cutting," will find Mr. Englander's comments unusually helpful. The statement printed below was sent to each man in the field with a letter like the one reproduced on the facing page.—THE EDITORS.)

ONE of the causes of our static condition of depression has not been pointed out by writers or economists to any great extent. It consists, in the main, of utter lack of coordinate effort on the part of organized purchasing media to maintain some semblance of price stability in their purchases. The actual responsibility lies with the types of media whose purchases are made for the purpose of serving the consuming public.

In other words, it refers primarily to chain organizations, department stores and similar distributing channels serving the public. They have laid too much stress upon artificial price means, which they have employed to influence consumer purchases. Insufficient consideration has been given to the ultimate result of a continuation of such policy.

In their anxiety to obtain the maximum volume, buyers and purchasing agents have lost sight of the fact that after a period of deflation such as we have passed through, prices of all raw materials have been brought down to a level lower than

has existed in a great many years, and that any continued attempt on their part to further depress prices of finished goods—any lack of effort to discourage lowered quotations from producers—tends to work against the necessary stabilization of prices and actually proves harmful to their own interests as well as to the interests of the firms and corporations they represent. Such a result is inevitable since the only recourse left to the producer and manufacturer to meet the situation is to readjust the wages of labor or to lower the standard of quality. It is therefore obvious that a continuation of present policy on the part of retailers to tempt the customer to purchase on the basis of price appeal only will ultimately reflect against their best interests and those of the consuming public as well.

The buying public, by reason of its tremendous purchasing power, is indirectly an important factor in the employment situation. To a great extent the item of wages is closely linked with the public attitude toward purchasing. Just as soon as the public becomes educated to this fact, the sooner will they realize that purchasing solely on a low price basis is against their best interests.

As soon as the merchant recognizes the fallacy of continuing to influence the consumer to purchase only because of low and subnormal prices, and replaces this policy with one wherein he stresses the fact that pur-



Joseph Englander

chases should be made by consumers on a normal scale of fair prices so as to insure the maximum employment, then, and only then, can we hope for a stabilization of price which will inure to the benefit of all.

At present we are confronted with the following situation:

Mr. Merchant, distributing products of public necessity, despite the deflation which he knows has taken place in the price of raw materials, is in hopes that a given volume of business is obtainable. He is extremely anxious to realize his ambition, and is inclined to overlook conditions and overestimate the attainable possibilities. He establishes a price basis which he figures would appeal to his customers. At that particular time results may not come up to his expectations, and he immediately decides that his original price is too high. He then reduces the price and creates a still further depressed basis of value. On the strength of the lowered offering he disposes of his original purchase, and finds that his stock is in need of replenishment. He ac-

(Continued on page 216)

Profit Clinics and How to Hold Them

BY C. E. KNOEPPLE

Industrial Counsel, Cleveland, Ohio

Number 4.* Sales Factors in Profit Assurance

THE wheels which make business go round are made out of orders. Getting the name on the familiar "dotted line" is a work than which there is none greater, for not only is manufacturing contingent upon a flow of sales, but *there can be no profits if there is no income from the disposition of commodities.*

More and more it is becoming evident, however, that the work of securing sales is not something set off by itself and without any reference whatever to any other branch of the business. Administrative policies, financial factors, and operating methods, each and together, have a relation to merchandising which, while indirect in character, perhaps, become determining factors in the matter of *a right volume of the right goods at the right prices at the right time.*

Hence, anything that a "profit clinic" can do to influence this matter of sales means that much more added to the "P and L A/C."

In the narrow confines of a single article about so vast a field embraced by the word "selling," one cannot do more than present a bird's-eye view of the elements to which a clinic should devote serious attention. It can be stated, however, that clinical deliberations of what will be thrown out as "thought starters" will be most productive of results in a better kind of sales at desired profits.

Sales Engineering in Merchandising

Engineering is more and more playing a real part in industrial endeavor—power engineering, plant engineering, management engineering, time-study engineering and the like. Now we are hearing more and more about "sales engineering." At first it would appear to be the height of absurdity to think of applying engineering to selling. It would be if we accepted the usual and commonly understood meanings of the word. But when we go back to the Latin derivation "ingenium," we find that it means "human ingenuity" as applied to any problem.

Selling is certainly a matter of applying human ingenuity to the many problems of securing a profitable volume of sales.

Sales engineering is, therefore, a vital factor in modern merchandising, and a "profit clinic" will do well to consider the many problems of selling from the angle of the "engineering approach."

Consequently we will present our views for the attention of the clinic under a series of headings, so as to make as complete a coverage as possible, and at the same time generally indicate the scope of each.

There is probably no more tantalizing problem con-

fronting a sales department than that of what constitutes a fair price which will secure orders. Among the many elements entering into the matter are six which will be briefly considered here—volume, complexity, turnover, capital costs, capital asset values and "looks." They will be considered in "chunk-English" fashion, merely to indicate what is in mind. Undoubtedly, any clinic will treat many aspects of these subjects which are not discussed here.

Volume—If I built a shop to produce 100 tanks a day, and I produce and sell only twenty, could I get a price based on the latter amount? Certainly not. The price would be too high because one-fifth of the volume would be absorbing all of the overhead. If I produce and sell 150 daily, owing to night work, should I price on this basis? Again the answer is in the negative, for my price would be too low, due to one and one-half of my capacity absorbing my overhead and I would be selling my goods for less than I could get for them, thereby losing money. The extremes represent subnormal and abnormal situations, while my price should consider a volume of from seventy-five to eighty-five tanks per day.

More Factors Affecting Price

Complexity—Take the case of two steel plates of the same size and thickness and therefore of the same cost on the same material market. Let us say that in one we lay out and punch 100 holes, while in the other there are only ten holes. The ratio of labor and its corresponding overhead is ten to one. The material cost ratio is one to one. In the total cost of the three items we lose sight of this "relative complexity," due to the averaging process and adding profit to total cost to make price fails to take this complexity into account. Why should a varying material content govern the profit charge when material in itself has no bearing on fabrication, *while what we do to the material* (as called for by the specifications) *has every bearing on effort* and should govern the amount of profit to include in the price. Profit should be added to labor and corresponding overhead.

Turnover—A manufacturer of ladies' underwear once told me that he was having trouble pricing his lines. He had two factories, in one of which he made cotton goods, while in the other he manufactured rayon underwear. I asked him if he had considered the matter of "relative turnover?" he asked me what I meant by the term. I then asked him if he would add 10 per cent to cost if in one plant he was making high-grade ladies' watches, while in the other he manufactured ice cream. He thought a minute and then said that if he added 10 per cent to the watches he would lose money because of the very slow turnover of watches, while he would be unable to sell any

*Previous articles in this series appeared in SALES MANAGEMENT for September 5, September 19 and October 10.

ice cream at all on a 10 per cent profit charge, owing to the very high turnover. He saw the point when he was able to visualize these tremendous extremes and could then apply the principle to pricing his line.

Capital costs—We are careful in getting labor, material and overhead expenses into our cost sheets, so as to have a basis for pricing our goods. But when it comes to the matter of "capital costs," industrial practice is so loose as to constitute almost a scandal. If a manufacturer should rent his buildings and lease his machinery, he would see to it that day by day, week by week and month by month, the costs of rental and leasing would be allocated directly to the floor spaces and machines working on productive operations and thus to the jobs being worked upon. There is, in reality, no difference when the manufacturer, instead of renting his buildings and leasing his machinery, invests his capital for them. He is simply *paying in advance* for buildings and equipment which, by the logic indicated above, forces the conclusion that cost of capital should be a definite part of cost of production. The handling of depreciation should no longer be an industrial football.

Fixed asset values—Capital asset values should not remain fixed as representing what we paid for them at the time of acquisition. The rise and fall of wages, salaries, material costs and interest charges are reflected in our costs and, therefore, in the prices we pay for goods. When it comes to the matter of capital assets, however, the ancient and musty accounting rule is original cost less depreciation. A manufacturer once told me he was replacing a \$1,200 boiler with a \$4,200 one and wondered about the difference of \$3,000. When the matter was fully explained to him he saw that part of the extra could be considered a capital outlay because he was not replacing a boiler of the same kind, but that for the larger part of it he would have to go into his surplus because, over the years, he had failed to add more to his depreciation reserve, hence to the prices which his customers would have paid. I asked him this question: "Is it the investment in the property, or the property, that you want to replace when it is necessary to do so?" He answered that it was property he wanted to replace, so the only advice possible was that fixed asset values should be allowed to rise and fall with the rise and fall in the purchasing power of the dollar and depreciations be adjusted yearly through the use of an index figure. In this way we would then get the fluctuations into cost, hence into price.

Looks—A manufacturer of machinery was having trouble with prices covering repair parts, the claim by some buyers being that they were too high. The practice was to spread the repair parts on the floor and price them from cost cards, a definite profit per cent being charged to all alike. By investigating the complaints it was found that they covered those parts which didn't have value written all over them. They failed to "look" the price. So it was decided to work on the principle of having differential prices for varying degrees of looks. A crude, cheap-looking piece of metal might have only 5 per cent to 10 per cent added to cost as profit. A fine piece of work, highly polished and *good to look at* might have 50 per cent to 100 per cent added to the cost to make the price. The kicks disappeared, nor did the ones paying for looks complain except in rare instances.

There are many other elements in this important matter of price, but the above will serve to give the "clinic" considerable to discuss, out of which can come the development of many other avenues of approach.

(This article will be concluded in next week's issue. In Part II, Mr. Knoepfel discusses incentives, sales forecasting, planned calls and standardized expenses, cost of sales and other subjects. —The Editors.)

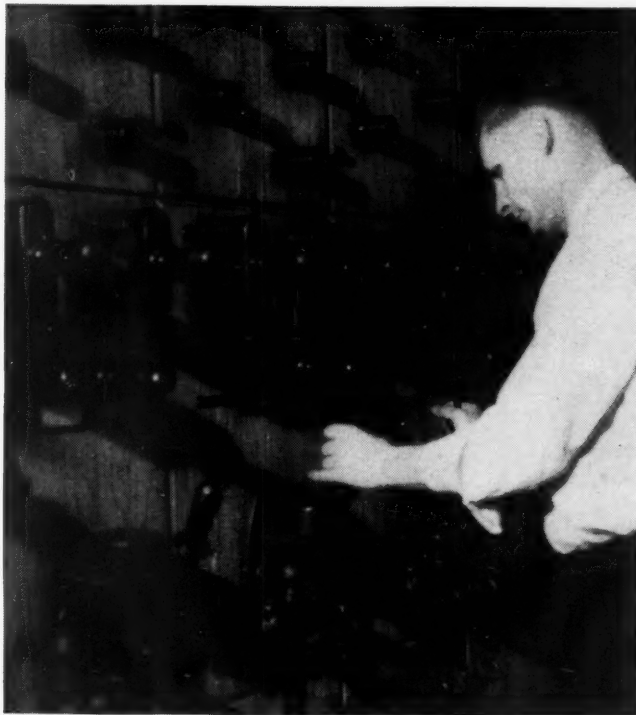


Photo by Ewing Galloway.

Have you a "control board" for profits in your company?—or are you still operating on faith? Profits can be controlled and planned for just as production is controlled and planned for, says Mr. Knoepfel.

Profitless selling can be eliminated by proper planning. That fact has been demonstrated. Sales Management therefore is presenting this series of articles to encourage companies to institute staff meetings and profit clinics in their own organizations, which will be devoted to systematic study of profit-budgeting. Mr. Knoepfel has professionally conducted many such profit clinics for company clients, with, in most cases, results which surpassed expectations. In these discussions he is guiding an approach to a study of the most important factors affecting profits and is showing how to locate, via the profit clinic route, the reasons why profits are not as satisfactory as they should be, and how to plan a revision of policy which will result in profit assurance. Part II will appear next week.

Million

*The fourth
of a group of articles
on salesmen who have sold
better-than-a-million
a year.*

“YOU can sell more in a depression than in flush times, if you have news value in your product,” states Myron D. Wolf, vice-president and star salesman of the Sam B. Wolf Sons Company, Cincinnati, Ohio, manufacturer of the “American Girl” and “Mary Stuart” brand shoes. “No matter how theoretically bad business is, you will always find a large market hunting for the new, particularly in a styled line.”

Wolf's company is proving these statements with a new type of shoe ready for public introduction this fall. While the company's business was coming in during the early months of this year at a rate equal to last year's, its sales picked up considerably when their new type of shoe was being marketed to the trade this spring and summer.

Despite the apparent down-trend on retail prices, Myron D. Wolf will tell you that the public more than ever is buying good values. “The quality manufacturer who in times past has been a leader has nothing to lose and everything to gain in these depression times,” Wolf believes. “In the next few years there will be a tremendous elimination of competition. The wide-awake manufacturer who, heretofore, led his field, will find himself fighting fewer competitors. He will succeed by keeping his line fresh.

“Your sale is only half made when you've got the order signed,” is a motto that Wolf puts into practice. He feels that a salesman must be able to do more than sell his goods to a retailer. The good salesman should know enough and have sufficient push to help merchandise his product for his retailer customer.

Wolf's willingness to carry through in the merchandising of his product

Dollar

to the final customer brought success in what proved for some time his hardest sale. He called on Hearn & Company, New York, more than fifteen times with no tangible results. In the course of these calls, however, Wolf had made a thorough study of Hearn's merchandising problems. On his sixteenth call he was ready to offer Hearn a plan. He would sell them four cases of shoes on consignment (a practice he never used before or since). He would pay for a special advertisement to merchandise these shoes. If the shoes sold out in one day, Hearn would reimburse him for the shoes, for the advertising, and would take on his line permanently. If this challenge failed (Wolf had

The secret of Myron Wolf's success as a shoe salesman is the secret of a good golfer's success. It's the follow-through. Wolf says a sale is only half made when the order is signed. Wolf glorifies style in his selling, runs up scandalous telephone bills in keeping in touch with buyers, and talks merchandising with such complete understanding that even the biggest buyers stop, listen, and sign. Use some of his ideas!

studied the proposition well enough to know it wouldn't) Wolf would take back the shoes and pay for the advertising himself. The plan was a success, the shoes sold out in one day, and now Hearn is one of his best accounts.

Ever since Wolf made his largest sale literally over the telephone, he has become an ardent user of that sales tool. Some time ago a large buyer whom Wolf had never met, came in to see him on the recommendation of one of Wolf's satisfied customers. The buyer wanted to take on Wolf's line under certain conditions. Wolf offered the buyer a proposition. The

Salesmen

buyer was uncertain as to the merchandising wisdom of Wolf's proposition. As the buyer sat in his office, Wolf suggested he get in touch with five men, known to be the best shoe merchandisers in the country, and hear their recommendations as to Wolf's merchandising ability. Rather than delay, Wolf called each of the five merchandisers on the phone and had them talk to the buyer. After those five transcontinental phone calls the buyer was finally satisfied and placed an order for \$180,000 worth of shoes.

Wolf uses the long distance phone

to make appointments when he wants to see a new prospect. He does a great deal of telephone business with his regular customers, particularly “size-up” business. In fact he wants his customers to feel that he is just around the corner, and he consequently calls every big account by long distance at least once a week. So enthusiastic is Wolf about telephone selling that he is already thinking a step ahead of the present. He believes that if television becomes a success it will revolutionize selling, in that a good salesman can sell the entire output of a company by showing his products over television.

"You can always beat the buyer's bluff if you know your product and the buyer's problem," Wolf will tell you. Since his line is in a medium priced class, he often meets the argument that his shoes are below the price range the buyer's store cares to handle. He answers this by pointing out that a store pays rent for everybody going by it and consequently almost every grade of customer belongs to that store. If the manufacturer's salesman understands this, and can show the customer how to merchandise a medium priced line, he should have no difficulty selling 90 per cent of the stores in the country, Wolf believes.

Beating the buyer's bluff took a peculiar turn once for Wolf, out in San Diego. His California salesman had been after him for some time to see a San Diego shoe account. When Wolf got there, the buyer told him he wouldn't talk business because he reasoned that any man buying shoes at that time of the year was a fool. Wolf answered, "In that case, California is full of damn fools," and showed the buyer a list of California stores which he had sold on that trip. The buyer insisted he did not want to talk about shoes then, but might consider them next year. Wolf told him that he probably wouldn't be in California again for some time. The buyer told him he wasn't particularly worried and pointed to a Packard Straight Eight parked near the curb which he had been able to buy for himself even though he never bought shoes from Wolf. Wolf admitted that was interesting, but called the buyer's attention to the fact that he had two large homes, two motor boats and three motor cars he had been able to buy for himself, even though he hadn't sold the buyer. At this the latter conceded the point, and looked at the line. Wolf left with an order.

Wolf applies a psychology all his own in selling group buyers. Much of his company's merchandise goes to department store syndicates. His rule is to sell the leaders before he meets with the group. But let Wolf tell how he does it: "In every group there are two or three leaders. The rest of the group invariably follows them. If you will sell a group, talk over your proposition with the leaders before you see the group. Sell the leaders so that when you get before the group they will sell your proposition for you. In appearing before a group you must know what you can and cannot do because you have to make snap judgments. If you have to say, 'I will find out and take the matter up later,' you have lost a sale."



"Get Mrs. Vanderbilt to try our new bed."

New Products Solved this Company's Depression Problem

THE American Art Wood Products Corporation, Terre Haute, Indiana, organized less than eighteen months ago, when conditions were anything but favorable to new enterprises, has since doubled its payroll and is today manufacturing and selling its line of novelty furniture to over 5,000 accounts.

Policies specifically framed to meet current market conditions have been responsible for the company's creditable record, according to B. J. Koral, president. "Six months ago," he said in a recent interview with SALES MANAGEMENT, "the directors of the company held a meeting to decide the most plausible and logical policy to be followed in an endeavor to fill our plant with business.

"First, we decided the so-called period of depression is really, in its truer sense, a period of readjustment. We must readjust our methods, our merchandise, and our production so we can make money with conditions as they are—not as we hope they will be.

"Second, we decided while there was an overproduction of old items, there is an underproduction of new items. The same buying public whose buying power is the base of American prosperity, will continue to consume new items of merit.

"Third, volume in our business today must of necessity come from a grouping of small orders, not from

the few big orders. New outlets must be opened.

"With these thoughts foremost in mind, we literally rolled up our sleeves and went to work. In two weeks' time our research developed between twenty and thirty outstanding new numbers. Two of them after being offered to the trade proved to be of unquestionable appeal. One was a novel spinning wheel lamp carried out authentically in early American style, which at the present time is the vogue in home decoration. The other item was a lamp embracing the use of a globe or atlas of the world, which in view of the growing widespread interest in national and international happenings could not help but be a big seller.

"We instructed all our salesmen that they must make numerous calls every day reporting to the home office whether they sold or not. We insisted that territories not only be covered but combed. We told our men we would attach more importance to a \$25 dollar order than to a \$2,000 order. We wanted distribution.

"Sixty days after this plan was put into effect we found ourselves taxed to the utmost to keep pace with our rapidly increasing business. We have augmented our office force by over 100 per cent, and our factory help by almost 300 per cent. We manufacture and ship over 800 spinning wheel lamps every day, and it is only one item of our line."

If you want DON'T BUY GHOST



D. F. KELLY, President of the Fair, Chicago, and President of the National Retail Dry Goods Association, says: "Is there not such a thing as excessive circulation—excessive in cost to secure, excessive in cost to manufacture and excessive in cost to the advertiser?"

"If the money spent so lavishly to secure what might be termed 'phantom circulation' were used in an effort to build the best possible circulation, so far as productivity is concerned, would it not be of greater profit to the pub-

lisher and his clientele? How much is ghost circulation and how much is deserved circulation?"

"Newspapers and magazines are in a race for circulation. The advertiser pays the bill. If the waste circulation of newspapers and magazines were eliminated, the advertiser would obtain the same result he is getting now.

"Many believe 20% is waste, for which the advertiser is paying because of the competitive ambition and pride of the publishers."

When
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230 PA

lower advertising costs CIRCULATION

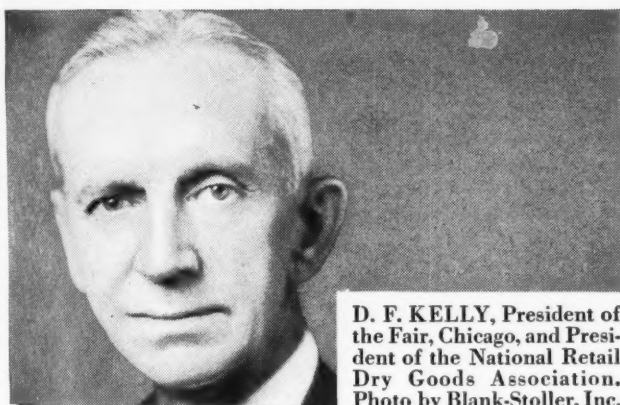
When you advertise in SCRIPPS-HOWARD Newspapers you avoid phantom circulation. Not one dollar is spent for circulation outside of natural trading territories—profit areas. No contests. No forced combinations. No rural scatteration.

74.4%

OF SCRIPPS-HOWARD
CIRCULATION IS CON-
CENTRATED IN CITIES

90.7%

OF SCRIPPS-HOWARD
CIRCULATION IS CON-
CENTRATED IN PROFIT AREAS



D. F. KELLY, President of the Fair, Chicago, and President of the National Retail Dry Goods Association. Photo by Blank-Stoller, Inc.

If YOU want lower selling costs, concentrate your effort where advertising results are greatest . . . where population is thickest . . . where dealers are accessible . . . where living standards are highest . . . where wealth is greatest . . . where fashion sense is developed.

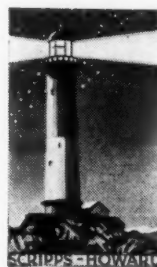
SCRIPPS-HOWARD Newspapers offer the highest concentration of circulation available in one unit for national advertising. Confine your advertising where greatest profit can be made.

SCRIPPS · HOWARD NEWSPAPERS

MEMBERS OF THE UNITED PRESS . . . OF THE AUDIT
BUREAU OF CIRCULATIONS AND OF MEDIA RECORDS, INC.

NEW YORK *World-Telegram* SAN FRANCISCO . . . *News* BUFFALO *Times* COLUMBUS . . . *Citizen* YOUNGSTOWN *Telegram* HOUSTON . . . *Press*
CLEVELAND . . . *Press* WASHINGTON . . . *News* INDIANAPOLIS . . . *Times* AKRON . . . *Times-Press* FORT WORTH . . . *Press* EL PASO . . . *Herald-Post*
BALTIMORE . . . *Post* CINCINNATI *Post* DENVER *Rocky Mt. News* BIRMINGHAM . . . *Post* OKLAHOMA CITY *News* SAN DIEGO . . . *Sun*
PITTSBURGH . . . *Press* COVINGTON *Kentucky Post* TOLEDO . . . *News-Bee* MEMPHIS *Press-Scimitar* KNOXVILLE *News-Sentinel* EVANSVILLE . . . *Press*
—Kentucky Edition of Cincinnati Post ALBUQUERQUE *New Mexico State Tribune*

230 PARK AVENUE, NEW YORK · CHICAGO · SAN FRANCISCO · DETROIT · LOS ANGELES · ATLANTA · PHILADELPHIA · BUFFALO · DALLAS



"Air-Conditioning" Draws Leaders Timken, GE, GM, Carrier Active

BY LAWRENCE M. HUGHES



Haldeman Finnie

THE possibilities of air-conditioning as a "coming industry" may soon be realized from the pioneering work now being done by some seventy large companies. The Timken-Detroit Company, subsidiary of the Timken Detroit Axle Company, announced this week an Airlux humidifier, which will be sold through its twenty-two factory branches in connection with its oil burners and water heaters. The Silent Automatic Corporation, to be merged with Timken-Detroit January 1, will also handle it.

A humidifying radiator that can be used with hot water, steam or vapor heating system, the Timken-Airlux is said to be automatic in operation and without moving parts. The only operating expense is for water, explained Haldeman Finnie, vice-president and general manager, and this is more than offset by fuel savings. The amount of water evaporated is controlled by the operation of the heating system, which automatically provides greater moisture in colder weather.

The product is made by the Airlux Humidifier Company of Chicago, under patents of one of the largest air-conditioning organizations. "The same sales policies and methods which

have resulted in an increase of 37 per cent in Timken oil burner sales in the first nine months of 1931 as compared with 1930," Mr. Finnie said, "will be followed for the new product.

"From a merchandising standpoint, the humidifier is ideally suited to be sold with our oil burners and water heaters—December, January and February, the slow months in the oil burner business, being the peak period for humidifier sales."

Initial advertising of the Timken-Airlux humidifier has started in newspapers in cities served by the Timken and Silent Automatic branches, Mr. Finnie said, and this program will be extended.

"We are taking advantage of the obvious market offered by users of Timken and Silent Automatic burners," T. A. Crawford, advertising and sales promotion manager of the company, told SALES MANAGEMENT, "and shall reach these people with a series of direct mailings.

"There will also be a direct mail campaign to the medical profession, who because of their intimate contact with the damage caused by air dryness, realize the need for a humidifier. Our object in appealing to doctors is, first, to sell them units for their own use, and, second, to acquaint them with the fact that a thoroughly satisfactory unit is available for homes already built, and that this unit is sponsored by a nationally known organization." Meanwhile, engineers of General Electric Company have been making a survey of the facilities of Carrier-Lyle Corporation, Newark, a pioneer in the "weather-making" field, SALES MANAGEMENT is informed, and reciprocal contracts providing for the exchange of methods and equipment are said to have been signed.

General Motors Corporation has made a working agreement with General Iron Works, Dayton, a well-established unit in the ventilating industry. General Motors, incidentally, is reported in financial circles to have spent \$14,000,000 in experimental work in this field but is still "dissatisfied."

Among other concerns actively en-

gaged in studying air-conditioning are American Radiator & Standard Sanitary Corporation, Holland Furnace Company, Safety Car Heating & Lighting Company, American Ice Company, City Ice & Fuel Company, and York Ice Machinery Corporation. In addition, several large manufacturers of mechanical refrigeration, including Copeland and Kelvinator, have devised room-cooling equipment to meet specific needs.

For room-cooling the method usually employed is to remove the warm air by a forced system of ventilation (the established heating system pipes being employed) and passing it through a spray of cooled water. Contact with the water first cools the air, then reduces its temperature to a point where it gives off moisture—thus lowering the humidity which is the cause of much warm weather discomfort. The water may be cooled either by being passed over refrigerated coils or over plain ice.

The systems vary in cost from many thousands of dollars for large installations to portable plants costing as little as \$2 a day to operate. In addition to residential and office and public building installations, air-conditioning was employed last summer by various railroads. The Baltimore & Ohio, on its run between New York and Washington, had two air-conditioned trains. The Pennsylvania operated five air-cooled dining cars, and the Boston & Maine, employing one day coach in a test, found it so popular that parlor-car passengers forsook their extra-fare chairs to crowd in there.

The B. & O., which contracted originally with the York Ice Machinery Corporation for the equipment of thirteen cars with air conditioning and refrigeration apparatus, now has forty-six cars equipped. Executives of the B. & O. reported an increase of 600 per cent in passenger traffic on the air-conditioned trains.

By "inducing" obsolescence of buildings that are not air-conditioned, interests in the new industry believe, a substantial building boom could be started. Air-conditioned apartment houses, at reasonable rentals, are now being considered.

Higher Prices Increase Farmers' Purchasing Power \$800,000,000

NEW YORK—The purchasing power of the American farmer has been increased more than \$800,000,000 as a result of a rise in price of four cereal grains and cotton between October 5 and November 2.

The 1930 value of all farm commodities in the country, as shown on page 78 of the SALES MANAGEMENT'S October 31 "Survey of Spending Power," was \$7,933,783,000. Higher prices on the four grains and cotton have added more than 10 per cent to this total.

Oil has been increased 15 cents a barrel—adding \$97,000,000 to the value of crude oil in storage, and each day's current production is worth \$364,650 more than it was last week.

Willis J. Bailey, governor of the Kansas City Federal Reserve Board, has hailed the sharp rise in wheat and oil prices as the beginning of a general upturn for the nation. Business conditions in that district in the last week show the greatest improvement recorded in many months.

The Kansas City *Star* estimates that \$135,000,000 has been added to the purchasing power of the Kansas City district by the rise in wheat, and higher values for other farm products.

Commodity prices in the past have led the country out of its business depressions, and while there may be continued ups and downs in the prices of raw commodities, business executives and economists feel that prices have been driven far too low and that the future trend points up rather than down.

Already there is considerable talk in informed quarters of \$1 wheat. If that price should become effective it would represent an increase of more than 100 per cent over the low prices of October 5.

Cotton prices have been stimulated by the high consumption of cotton and by the plan developed at New Orleans to withhold 7,000,000 bales from the market. Cautious observers do not expect an immediate upturn from present cotton prices, at least not until the trade is satisfied that the trend is up from here, and starts buying in large lots. Sales of cotton at the increased prices of the last two weeks have not been in tremendous volume, as contrasted with the increased volume at higher prices in the grain markets.

A number of sales executives already are intensifying their efforts in the

grain, cotton and oil producing sections. The current fifteen-cent advance in oil prices, for example, benefits a wide area as shown below—\$148,353 daily being added automatically to Texas incomes, \$77,375 to those in Oklahoma, and \$74,535 to those in California.

The following tabulation shows what the increased prices total, in dollars and cents, to farmers, commission merchants, manufacturers, and those dependent on the oil industry. Grain and cotton valuations as of November 2 are figured at the price of March options (midway between December to July options which are actively traded in).

COTTON

16,300,000 bales (new crop)	
6,700,000 bales (carryover)	
23,000,000 bales at October 8 price	
of 5.32 cents a pound.....	\$611,800,000
Value November 2, at 6.79 cents	
a pound	780,350,000
Increased valuation	\$168,550,000

CORN

2,703,000,000 bushels (new crop	
and carryover) at October 5	
price of 32¾ cents a bushel....	\$ 885,232,500
Value November 2, at 44¾ cents	
a bushel	1,201,625,000
Increased valuation	\$ 316,393,500

WHEAT

884,000,000 bushels (new crop)	
319,000,000 bushels (carryover)	
1,203,000,000 bushels at October 5	
price of 44¾ cents a bushel....	\$536,898,900
Value November 2, at 66½ cents	
a bushel	799,995,000
Increased valuation	\$263,096,100

OATS

Increased valuation	\$ 43,000,000
---------------------------	---------------

RYE

Increased valuation	\$ 5,500,000
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Total Increase, cotton and four	
grains	\$796,539,600

OIL

634,734,000 barrels crude and prod-	
ucts at increased valuation of	
15 cents a barrel	\$ 97,380,750
Increased valuation each day's cur-	
rent production	364,650
Increased valuation each day's cur-	
rent production by districts (based	
on average production week end-	
ing October 31)	

Oklahoma	77,375
Kansas	15,441
Panhandle, Texas	9,705
North Texas	8,617
West Central Texas	4,072
West Texas	28,770
East Central Texas	8,467
East Texas	62,155
South West Texas	8,107
North Louisiana	4,335
Arkansas	5,662
Coastal Texas	18,660
Coastal Louisiana	4,777
Eastern States	16,710
Michigan	2,010
Wyoming	5,827
Montana	1,207
Colorado	637
New Mexico	6,630
California	74,535



W. L. Stensgaard

Stensgaard Will Direct Valdura Advertising

CHICAGO—W. L. Stensgaard, formerly general sales and advertising manager of stores for Montgomery Ward & Company and previously in charge of the dealer helps division of Stewart-Warner Corporation, has been appointed advertising and merchandising manager of American Asphalt Paint Company here. The company will launch an aggressive campaign on Valdura products at a convention of its sales organization here in November.

Bendix Starts Campaign on New Starting Device

CHICAGO—Consumer advertising for Startix, a new automobile starting device of Bendix Corporation, will begin with a double truck spread in the *Saturday Evening Post*, November 28. This will be followed by a campaign to dealers and distributors through automotive trade publications. An extensive consumer campaign in national mediums probably will be run also. A general publicity campaign announcing Startix was launched November 1, with releases to newspapers and trade publications. This revealed that the Startix is contained in a metal box, only 3¼ by 4 by 5½ inches, placed under the hood. The ordinary automobile lock is not disturbed in installation. Terminal wires are merely hooked up with Startix.

Letters were also sent out to automotive electrical dealers and distributors throughout the country, November 1,

General Motors and Ford Groups Enter Synthetic Rubber Competition

NEW YORK—The old competition between Ford and General Motors and between Firestone and United States Rubber may take on a new aspect soon as a result of announcement of the development of two widely different methods for the manufacture of synthetic rubber.

Shortly before his death, last month, Thomas A. Edison perfected a process for extracting rubber from goldenrod, on which he had been working on his Florida estate and in his West Orange, New Jersey, laboratories for several years. Henry Ford and Harvey Firestone, friends of Mr. Edison, have joined with the Edison family in the establishment of a company to carry on the work, especially in by-products, and, when the process becomes less expensive, to manufacture rubber for tires and other major lines.

Before the rubber division of the American Chemical Society at Akron this week three chemists of E. I. du Pont de Nemours & Company, Wilmington, announced "Duprene," a synthetic rubber, the principal raw material for which is acetylene, which requires only coal and limestone for its production—the only other primary ingredients being salt and water. The du Pont company is now constructing a plant at Deepwater Point, New Jersey, for the manufacture of the new product on a commercial scale.

Although Duprene is not now expected to displace natural rubber for tires, the development is interesting in view of the control by the du Pont interests of General Motors Corporation, largest factor in the automobile industry, and of United States Rubber Company, one of the "big four" of the rubber industry and largest American producer of natural rubber.

Both General Motors and du Pont are financed by J. P. Morgan & Company and United States Rubber by First National Bank of New York, affiliated with the Morgan company. The Ford Motor Company and the Firestone Tire & Rubber Company, on the other hand, have pursued "independent" courses in reaching positions in their industries, exceeded in the first only by General Motors and in the second only by the Goodyear and the B. F. Goodrich companies.

The present low price of natural rubber, however, may discourage and postpone these synthetic efforts. From a high level of \$1.13 a pound in 1925, the crude rubber price has fallen to about four and seven-eighths cents.



Harold Boeschenstein

Sales Heads Advanced by Owens-Illinois

TOLEDO—Harold Boeschenstein has been promoted to vice-president and assistant general manager of Owens-Illinois Glass Company, largest bottle manufacturer, with headquarters here. He is succeeded by F. J. Solon, who becomes general sales manager.

On the consolidation of the two companies in 1929, Mr. Boeschenstein became vice-president and general sales manager and Mr. Solon general manager of the prescription, pharmaceutical and proprietary lines.

\$6,000,000 for Wrigley Promotion This Year

CHICAGO—More than \$6,000,000 will be spent in advertising this year by the Wm. Wrigley, Jr., Company,* SALES MANAGEMENT learned this week.

Of this amount radio will take "more than \$1,000,000," magazines \$1,000,000, and an intensive newspaper campaign probably a larger amount than either. A "when you're all on edge" theme is being promoted in car cards and outdoor media. "We have recently gone back into newspapers after an absence of four years," an executive explained. "And although we have had no big radio campaign since the season of 1928-9, we have been doing some radio advertising right along."

*Refer to Wrigley feature story on page 194 of this issue.

Sears, Roebuck Centers Home Modernization on New Oil Burner

PHILADELPHIA—Sears, Roebuck & Company has taken over exclusive marketing rights in the eastern territory for an improved oil burner of the Remington-Keystone Manufacturing Company, Ridley Park, Pennsylvania, and is employing it as a point of primary emphasis, both for salesmen and in advertising, in an extended home modernizing program under the supervision of the Eastern headquarters of the Home Construction Division here.

Sponsorship of the oil burner by Sears, Roebuck follows nine years of study of products in this field, E. R. Dibbs, eastern sales manager, said. The burner is being offered under the company's partial payment, "balanced budget" plan.

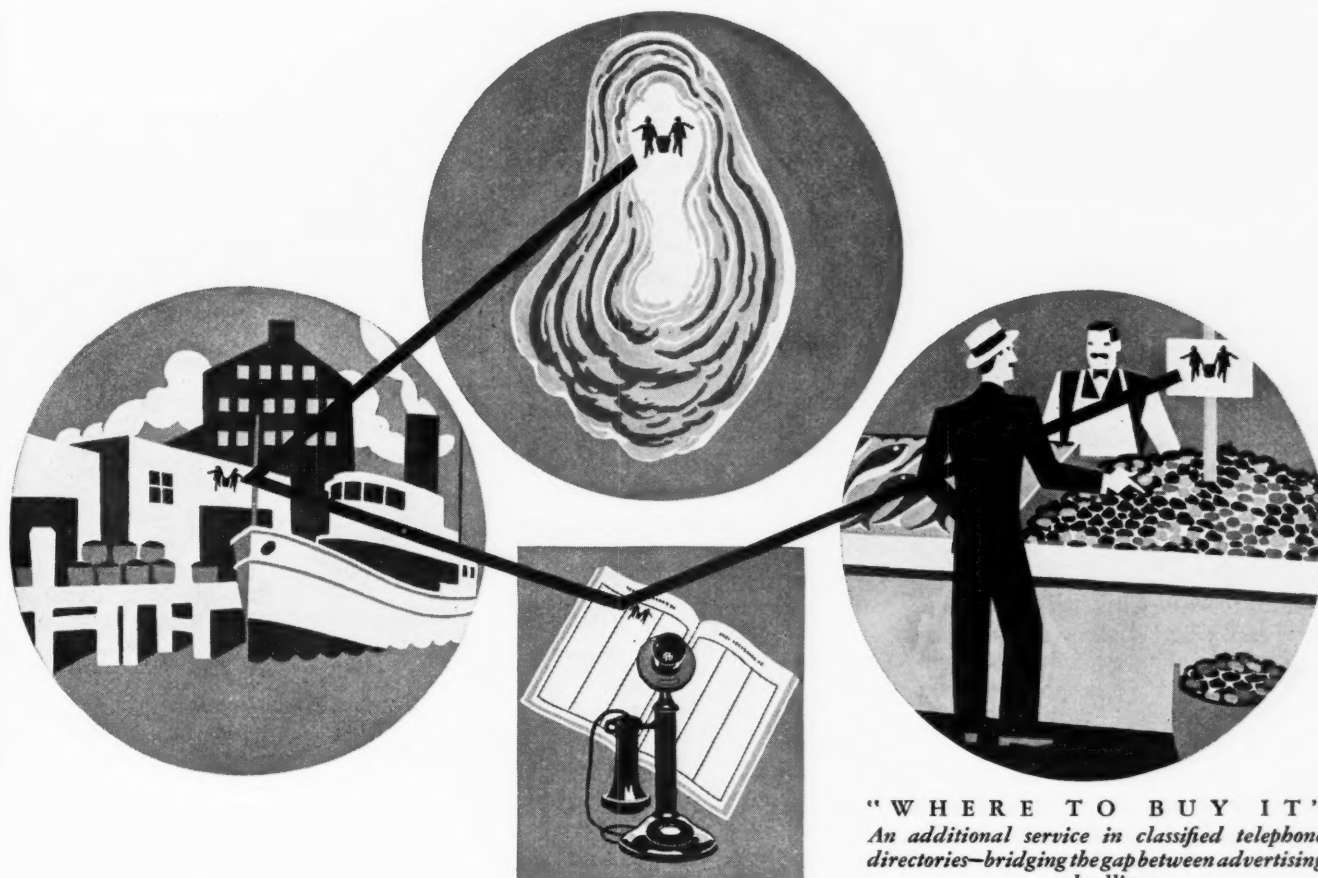
In the newspaper advertising copy a general modernizing check list coupon has been used. While all copy features the oil burner, numerous readers wishing to discuss modernizing operations have checked one or more of the other items. These include bathroom, plumbing, hardwood floors, new roof, modern kitchen, exterior of house, heating plant, extra room and garage or log cabin.

This copy was handled by the New York office of the Gardner Advertising Agency.

In the metropolitan New York area, for the first four weeks of the campaign, 21 per cent of all inquiries as to the oil burner resulted in sales on the partial-payment plan, cash sales not included, Mr. Dibbs said. Of the inquiries that could be traced to source, about 50 per cent were represented by newspaper coupons, and 50 per cent from direct mail follow-up. About one-third of all inquiries could not be traced directly to either source. These included contacts made through retail stores.

Low cost and long term financing have been featured—as well as the fact that "for the first time one heater embodies all important proved advances in oil heater engineering and construction."

These, Mr. Dibbs said, include explosion-proof manual ignition, vaporizing type burner, preheating of oil to speed vaporization, high and low flame adjustments to reduce operation of the motor and fan to a minimum, and the space saving and noiseless operation which results from including the entire burner unit inside the heating plant.



"WHERE TO BUY IT"
An additional service in classified telephone directories—bridging the gap between advertising and selling.

How a long-established oyster company plans to extend its trade boundaries

A COMPANY may have been in business for many years and still have a great deal of room for expansion. New outlets may be discovered . . . new avenues of trade opened. Here is an example.

The Narragansett Bay Oyster Company is an old and long-established concern. Its product, Sea-Acre Oysters, is well known to the trade. And yet by contracting for Trade Mark Service in a certain locality last year, many new outlets were established. Today this well-known company, through Trade Mark Service, has contracted for a wider coverage in classified telephone directories.

Trade Mark Service in classified telephone directories assists producers in many fields. It helps to prevent substitution, expands the dealer

organization, protects authorized dealers, increases sales, betters service, and builds good will.

Trade Mark Service can be made to fit your own merchandising needs. Telephone or write for the booklet, "A Major Contribution to Modern Merchandising." There's no obligation.

Trade Mark Service Manager

AMERICAN TELEPHONE AND TELEGRAPH COMPANY
195 Broadway, New York, N. Y. EXchange 3-9800
208 W. Washington St., Chicago, Ill. OFFicial 9300

Dear Sir: We would like to have the book, "A Major Contribution to Modern Merchandising," which shows how Trade Mark Service can be applied to knotty merchandising and selling problems in many businesses. This request places us under no obligation whatever.

Company _____
Address _____
By _____

WHERE TO



BUY IT

"Competitive Cooperation" Begun under Victor-Columbia Merger

LONDON—The merger of the Gramophone Company (Victor) and the Columbia Graphophone Company, under Electric & Musical Industries, Ltd., and with Radio Corporation of America holding working control, will increase rather than lessen competition between these two most important factors in the British radio and phonograph market, Leslie Neck, new managing director of Columbia, has just announced.

"Both companies will operate independently to improve design, lower costs and increase volume," Mr. Neck said. On the other hand, "we now have access to each other's sales figures and other data, which enables each to make progress and at the same time to cut out duplication of labor and other expense."

Only a few of the higher executives, however, Mr. Neck continued, will have access to the figures of the other company.

Differences of opinion with regard to selling policies are already being shown. Gramophone's latest sales plan, for example, Mr. Neck regards as "stunting" and will have nothing to do with it.

Gramophone, under Richard Haigh, has set itself a quota amounting to double the sales made in its best six months' period. A "flying squad" of salesmen will tour the country in special vans in a house-to-house selling campaign for dealers. New models are being launched. Another feature involves a special hire purchase finance scheme, and the whole effort will be backed by the biggest advertising campaign ever undertaken by the company consisting of 61,747,000 individual advertisements. The "flying squad" consists of a team of specially selected salesmen under Mr. G. M. Fenwick; each will drive a specially fitted van carrying about three representative models. Salesmen will first call on the dealers in each town they visit; from them they will receive lists of prospects before whom they will demonstrate the products—the full trade discount on sales being allowed to the local dealer.

The dealer's prospects exhausted, salesmen will then commence a house-to-house tour. In towns where there are more than a single dealer, any question as to which dealer should receive the trade discount will be decided by asking the customer the name of his usual dealer or, if he has none,

the name of the dealer to whom he would have gone in the normal way. One of the things which the campaign will illustrate in particular is the enormous value of demonstrating articles like gramophones and wireless sets in the prospect's own sitting-room.

While the squad will not carry all models, full stocks are to be available in the immediate neighborhood so as to permit of delivery within 15 minutes of a sale.

Kettering Will Address St. Louis Sales Forum

ST. LOUIS—Charles F. Kettering, vice-president in charge of research of General Motors Corporation; Dr. Leverett S. Lyon, economist, of Brookings Institute, Washington, D. C.; W. L. Roy, general sales manager, Amity Leather Products Company; Allyn McIntire, vice-president of Pepperell Manufacturing Company, and E. W. Stiner, Western field counselor, Bigelow, Kent, Willard Company, will address the fifth one-day sales executives conference of the St. Louis Chamber of Commerce Sales Managers Bureau, at the Hotel Jefferson, here, November 20, on the subject of "Selling Under the New Economic Conditions."

A thousand executives are expected to hear Mr. Kettering at the meeting.

BRIDGEPORT—J. L. Lucas & Son, Inc., re-builder of machine tools, has established an export department at 44 Whitehall Street, which will work under the direction of Pablo Homs, Inc., export manager.



Lee O. Cox

Flying Salesman Runs Own Plane to Treble Dealer Contacts

SEATTLE—It used to take Lee O. Cox, division sales manager for the Conlon Washington Machine Corporation, Chicago, ninety days to cover his territory of Washington, Oregon, Idaho and Montana. Now he meets every dealer every month. And since he adopted an airplane his sales volume has doubled.

Mr. Cox scoffs at the idea that flying offers the salesman many obstacles. There was a time when it was assumed that the layman needed a professional pilot. Of course, some selling jobs could not stand that much traveling overhead. And yet the airplane should certainly be a potent tool to men with large territories.

That is what W. J. Conlon, president of the corporation, figured. He made a proposition to Mr. Cox. "I'll go 50-50 with you in the purchase of a plane, expenses paid as usual. You learn to fly and see what happens."

Mr. Cox took up Mr. Conlon's idea. On June 15, 1930, he started to learn to fly. On July 4 he did his first solo work. On July 21 he got his pilot's license, and by October 1 had flown 200 hours, enough for a commercial transport license.

Learning to fly, he found, requires a small investment in time and money. He earned his pilot's license at a cost of only \$150 in instruction fees and airport privileges, such as plane rental. He joined the Bryn Mawr Flying Club of Seattle, similar to clubs throughout the country. Usually the club consists of a group of amateurs who want to learn to fly. They arrange with the management of an airport for an instructor and the use of an airplane. When a student has learned to fly, and buys his own plane, he either sells his equity in the club equipment to another student, or the club takes it over. In this instance, the airport sponsored the club, and also sold new equipment. Hence, Mr. Cox was credited with rentals, et cetera, while learning, on the purchase of a new machine. Dual instruction was at the rate of \$5 an hour, and solo time the same amount. A representative of the United States Department of Commerce gave the written and demonstration examinations for a pilot's license.

"A salesman with an airplane has the edge on his competitors who use slower means of transportation," Mr. Cox said, "and the novelty is worth something to the salesman in publicity."

The Same Amount Spent in October-1929 for



Will Now Buy at Wholesale Prices



Prices of many staples are now so low that the 1931 dollar will buy substantially more than it would buy in 1929. This chart shows how much of various meats and meat products can be purchased today in comparison with the amount the same money would buy a year ago. This information is furnished through the courtesy of G. F. Swift, president, Swift & Company.

Three-Day Celebration Opens L. A. Herald's Twenty-first Year

LOS ANGELES—November 2, the twentieth anniversary of the Los Angeles *Evening Herald*, was commemorated with a three-day celebration and the publication of a special birthday edition.

Opening with a salute of twenty air bombs Monday morning from the roof of the newspaper's home, talks were delivered by Dr. Frank F. Barham, publisher of the *Evening Herald*, and by other prominent Californians, after which the presses were started by Mayor John C. Porter, for the printing of the special edition, devoted to the history of the newspaper itself. At two o'clock a Goodyear "blimp" settled on the roof of the *Evening Herald* building, picked up a bag of copies of the birthday edition and delivered them to the mayor and a group of citizens at the City Hall.

In the evening a radio program over the *Evening Herald* station, KMTR, broadcast addresses by Congressman Joseph Crail and by several motion picture stars.

Starting as an evening paper in 1911, with a circulation of less than 35,000, the *Evening Herald* now, with 225,000, has the largest circulation among western newspapers.

Citrus Co-ops Merge

WINTER HAVEN, FLA.—The Florida Citrus Growers' Clearing House Association and the Florida Fruitmen's Association have merged. Claiming 30 to 35 per cent of the state crop is marketed through the clearing house alone, A. M. Pratt, manager, said the consolidated organization would add 10,000 cars to the total volume for the season.

EAST PITTSBURGH.—HARRY L. BERO, who has been with the Westinghouse Electric & Manufacturing Company for 11 years, has been appointed acting radio sales manager.



Dr. Frank F. Barham

Coca-Cola Not to Extend Its Use of Premiums

ATLANTA—Although "there is a toy manufacturer in St. Louis making Coca-Cola trucks for sale to the toy trade, we are making no use of the toys as premiums at this time," Turner Jones, vice-president of the Coca-Cola Company, advised SALES MANAGEMENT this week.

The trucks, in red and yellow, five and one-half inches high by ten and three-fourths long, are manufactured by the Metalcraft Corporation of St. Louis. Stix-Baer-Fuller Dry Goods Company there in its advertising copy is urging "kiddies" to "play bottling company." Each truck carries ten miniature Coca-Cola bottles.

S. M. Reber Will Manage Ever-Dry Laboratories

LOS ANGELES—S. M. Reber, formerly head of the toilet goods division of Marshall Field & Company Wholesale, has been elected vice-president and general manager of Ever-Dry Laboratories, Inc., here.

Ever-Dry, a perspiration preventive liquid, was put on the market in California sixteen years ago by Mrs. Elizabeth Lennox. In 1929 the business was purchased by a group headed by Sherman K. Ellis, now president, and national distribution effected.

This 2 Color Ad Beat this 4 Color Ad



Ad A—2 colors—in LIBERTY.

yet cost
47% less!

The ad above, appearing in 2 colors in Liberty, was read by more people than the same ad in 4 colors in Weekly A... but the Liberty ad cost 47% less!

If you saw these ads when they ran, you noticed only two differences:

1. Ad A ran in two colors—Ad B ran in four.
2. Ad A ran in LIBERTY (with its smaller-size page)—Ad B ran in weekly A, with its larger "conventional" page size.

But if you could have been in homes where these ads had a chance to do their work, you would have found two more differences:

1. Ad A was seen by as many people per 1,000 circulation—and read by more...
2. And Ad A did its job at a cost of 47% less—on the bread-and-butter basis of readers actually reached!

Now those are strong statements. They call for proof. So go back with us to the beginning and get the whole story.

A Modern Publishing Formula

LIBERTY, as you know, was planned to be an advertising medium.



Ad B—4 colors—in Another Weekly.

1. Planned around newsy, concise, swift-moving stories and features by artists and writers close to the pulse of our changing times.
2. Given whole family appeal, in recognition of women's interest in things outside the kitchen, and to provide men and women readership at the cost of one advertisement.
3. Laid out with every editorial feature complete—no buried run-overs—to put every advertisement next to reading matter.
4. Made compact in size, easy to handle and easy to see.
5. Built for 99% single-copy circulation, bought only when wanted.

When LIBERTY'S new owners took charge last April, they sought a way to prove that these ideas had worked. They called on Dr. George Gallup, professor of Advertising

Liberty

and Journalism at Northwestern University. They invited the A.N.A. to act as referee.

Dr. Gallup suggested this plan: Investigators would visit six cities: Philadelphia, Pa.; Springfield, Mass.; Greensboro, N.C.; Columbus, Ohio.; Topeka, Kansas, and Sioux Falls, S. D.

They would carry current copies of the four leading mass magazines. They would push doorbells—15,000 of them.

And wherever they found a current copy of any one of these four publications—they would leaf through it, page by page, and check off what had been seen, and what had been read, both editorial and advertising matter.

Some Surprising Figures

They found, all told, over 3,000 homes where there were current copies of one or more of the four mass weeklies.

And after talks with members of those households they discovered this fact:

On the basis of equal circulation units—say 1,000 copies—the average page ad in LIBERTY is remembered as having been seen by

73% more women and 32% more men than the average page in Magazine A

33% more women and 15% more men than the average page in magazine B

153% more women and 85% more men than the average page in magazine C

But that is not all. LIBERTY'S page costs—like commodity prices in general but unlike most advertising rates—have dropped 35% in the past 4 years. So in terms of persons seeing your advertisement (which is what you buy space to accomplish) every dollar you invest in LIBERTY at page rates buys the attention of:

168% more women and 107% more men than it does in Magazine A

77% more women and 54% more men than it does in Magazine B

188% more women and 109% more men than it does in Magazine C

What the Gallup Tests Prove

Now, with prices for your product falling, as well as unit sales... With advertising appropriations coming out of profit margins, if they come at all... With salesmen and dealers taking their cues from your courage and aggressiveness in keeping up your advertising... It is important not merely to advertise, but to advertise *efficiently*!

It's important, not only to have good copy, but to put it where it has the best chance of working.

Dr. Gallup's work is proof that LIBERTY makes your advertising dollar reach 54% to 188% more people.

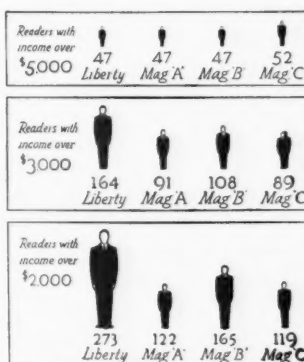
It's proof that your space buyer has something to say about the effectiveness of your advertising, as well as your copy-writer. And it proves—in passing—just how far-sighted Coca-Cola was when it put LIBERTY on its list eight years ago—and kept it there.

Write for the Gallup Report

We have the complete story of Dr. Gallup's survey—a far more complete story than we can give here—ready to put before you.

It presents, for the first time, facts on reader interest in terms of what was actually seen and what was actually read. It has been broken down to give you the answer to almost any sort of a question you may have to ask about it. A copy will be delivered promptly by a LIBERTY representative to executives of advertisers and advertising agents. LIBERTY, 420 Lexington Ave., New York City.

Actual READERS-per-page-Advertisement that your dollar will buy:



EVERY copy of LIBERTY that goes into the "Over \$5,000" group gets there because it's wanted there... The 14% of LIBERTY'S circulation found in the "Over \$5,000" group (where is only 9% of the population) is voluntarily bought on a copy-by-copy basis, week after week; it is a logical, natural placement. For, according to the six Gallup tests, approximately the same number of persons in this group remembered having seen the average advertising page in LIBERTY as in any of the other weeklies, which, largely through subscription mailings, place 20% to 30% of their circulations in these homes.

These are some Advertisers who are getting more for their money by using Liberty:

AMERICAN SAFETY RAZOR CORP.	HOUBIGANT, INC.
AMERICAN TEL. & TEL. CO.	INDIAN REFINING CO.
AMERICAN TOBACCO CO.	INTERNATIONAL MERCANTILE MARINE
AXTON-FISHER TOBACCO CO.	JANTZEN KNITTING MILLS
B. V. D. CO.	JOHNSON & JOHNSON
BARBASOL CO.	KELLOGG CO.
BAUER & BLACK	KOLYNOS CO.
BEECH-NUT PACKING CO.	KRESS & OWEN CO.
BORDEN CO.	LAMBERT PHARMACAL CO.
BRISTOL-MYERS CO.	LARUS & BROS. CO.
BROWN & WILLIAMSON TOBACCO CO.	LEVER BROS. CO.
BUICK MOTOR CAR CO.	LIGGETT & MYERS TOBACCO CO.
CANADA DRY GINGER ALE CO.	MENNEN CO.
CHESEBROUGH MFG. CO.	PHILIP MORRIS & CO.
CHEVROLET MOTOR CO.	NORTHWESTERN YEAST CO.
CHI., MIL., ST. PAUL & PAC. R.R.	NORWICH PHARMACAL CO.
CHRYSLER MOTORS CORP.	NYAL COMPANY
CLUETT-PEABODY & CO.	OAKLAND MOTOR CAR CO.
COCA-COLA CO.	PARKER PEN CO.
COLUMBIA PICTURES CORP.	PEPSODENT CO.
COTY, INC.	POMPEIAN CO., INC.
CROSLEY RADIO CORP.	RCA VICTOR CORP.
R. B. DAVIS CO.	R. J. REYNOLDS TOBACCO CO.
JOS. DIXON CRUCIBLE CO.	SINGER SEWING MACHINE CO.
ENCYCLOPAEDIA BRITANNICA	A. G. SPALDING & BROS.
ETHYL GASOLINE CORP.	STANCO, INC.
EX-LAX, INC.	A. STEIN & CO.
FLORIDA CITRUS EXCHANGE	TEXAS CO.
GENERAL ELECTRIC CO., PHOTOFLASH LAMPS	VAPO CRESOLENE CO.
GENERAL ELECTRIC CO., RADIOS	VELDOWN COMPANY, INC.
GILLETTE SAFETY RAZOR CO.	WANDER CO.
ALEXANDER HAMILTON INSTITUTE	G. WASHINGTON COFFEE REF. CO.
HEWES & POTTER	L. E. WATERMAN CO.
HINZE AMBROSIA, INC.	R. L. WATKINS CO.
CHAS. E. HIRES CO.	WESTERN CLOCK CO.
	W. F. YOUNG CO.
	ZONITE PRODUCTS CORP.

... AMERICA'S Best Read Weekly

Account Changes

JOHNSON AND JOHNSON, New Brunswick, New Jersey, Red Cross Products Division, to Frank Presbrey Company, New York. Localized newspaper and radio campaigns for the present; magazines, newspapers, radio and direct mail later.

ERNST BERGMANN & COMPANY, Erfurt, Germany, shoe laces, to Erwin, Wasey & Company, Berlin.

HYGRADE SYLVANIA CORPORATION, Salem, Massachusetts, Hygrade Lamp Division, to Cecil, Warwick & Cecil, Inc., New York. Effective December 1.

ENOCH MORGAN'S SONS COMPANY, New York, advertising of all products, including Sapolio and Spotless Town, in United States and Canada, to Paul Cornell Company, Inc., New York.

ASSOCIATED PARTS, INC., Toledo, Red-Head heaters, Associated-Oldberg mufflers and Aeroloy pistons, to Sun Advertising Company, there. Trade publications and direct mail.

CONSOLIDATED LAUNDRIES CORPORATION, Boston, to Badger & Browning, Inc., there. Newspapers, posters and direct mail.

NATIONAL PECAN MARKETING ASSOCIATION, Jackson, Mississippi, to Fitzgerald Advertising Agency, Inc., New Orleans. Test newspaper campaign.

W. F. WHITNEY COMPANY, INC., South Ashburnham, Massachusetts, Early American furniture reproductions, to the Porter Corporation, Boston. Magazine and dealer cooperative campaigns.

MERCURITE COMPANY, Bedford, Indiana, distiller and manufacturer of motor oil auxiliary, to Campbell-Durham-Von Olm Company, Chicago. Magazines and direct mail.

HEINTZ MANUFACTURING COMPANY, Philadelphia, metal stampings, to the Simpers Company there.

CRETE MILLS, Crete, Nebraska, milled food products, flour, poultry and stock feeds, to Russell C. Comer Advertising Agency, Kansas City.

NEW ENGLAND DAIRY & FOOD COUNCIL, Boston, to Ingalls-Advertising, there.

NORWICH PHARMACAL COMPANY, Norwich, New York, Unguentine Antiseptic Ointment, to the Lawrence C. Gumbinner Advertising Agency, New York City.

INTERNATIONAL BURNERS CORPORATION, New York City, Victory, Calorol and Crescent oil burners, to Atherton & Currier, Inc., there.

HOOVER COMPANY, Chicago, suction cleaners, and AMERICAN ASPHALT PAINT COMPANY, there, display advertising to W. L. Stensgaard and Associates, Inc., Chicago.

du Pont Executive Named President of Childs

NEW YORK—William P. Allen, vice-president of E. I. du Pont de Nemours & Company, has resigned to become president of Childs Company, oldest and largest restaurant chain, filling a long-standing vacancy. He has been a director and member of the executive committee for the last year.

William A. Barber, who has been in charge of reorganization effected in the last two years, continues as chairman of the board. Frederick C. Lane, former vice-president of the company, has been elected to the board.

"In September we served 4,287,916 meals, compared with 4,086,193 in September, 1930," Mr. Barber explained, in making the announcement, "and while for the quarter net profit after all deductions was \$88,823, compared with \$69,137 for the same quarter of last year, the income from operation was \$412,641 compared with \$213,830."



Photo by Wm. Shewell Ellis, Wilmington, Del.

Just as the du Pont interests announce the perfection of a synthetic rubber, their vice-president resigns to go to Childs, perhaps to introduce "synthetic foods."

General Lock Sold

MILWAUKEE—The entire interest in the General Lock Corporation, Milwaukee, held by General Grinder Corporation, Charles G. Crabb and Van B. Hooper, has been sold to the Slaymaker Lock Company, Lancaster, Pennsylvania.

DETROIT—The dealer organization of the Chrysler Sales Corporation has increased its number to 3,300 compared with 2,800 in August, 1930. J. W. Frazer, general sales manager, announced this week.

Gossip

GUY LEMMON, until recently vice-president and general manager of Helena Rubinstein, Inc., New York, and formerly vice-president and sales manager and later president of the Hassler Shock Absorber Company, has joined the staff of Benton & Bowles, New York agency.

JOHN McHUGH STUART, director of publicity for Fokker Aircraft and General Aviation corporations, is now with Erwin, Wasey & Company, New York agency.

BADGER & BROWNING, INC., Boston agency, has opened offices at 220 East Forty-second Street, New York.

W. T. YOUNG, JR., formerly vice-president of Homer McKee Company, of Indianapolis, and recently sales director of Peerless Motor Car Corporation, Cleveland, has joined Newell-Emmett Company, Inc., New York agency.

ROBERT TINSMAN, president of Federal Advertising Agency, Inc., New York, has just been elected a life member of the Board of Trustees, Lafayette College, from which he graduated in 1901.

OSCAR E. MITTELSTAEDT, secretary and director of art and production for George Harrison Phelps, Inc., has become vice-president of Gray Garfield Lange, Inc., Detroit commercial art organization.

STANLEY H. ROSE has resigned as contact executive of W. I. Tracy, Inc., New York, to join Grant & Wadsworth and Casmir, Inc., there, in a similar capacity.

DWIGHT W. JENNINGS has resigned as vice-president and a director of Lord & Thomas and Logan, Inc. He had formerly been in charge of the San Francisco office and more recently of European branches.

R. E. Morgan, Advertising Counsellor, has been formed at 924 Liggett Building, Seattle, by REGINALD E. MORGAN, formerly advertising manager of Frederick & Nelson's store there, and more recently with Arnold-Morgan Advertising, Inc.

Curbs Utilities' Scope

TOPEKA, KAN.—Judge Otis E. Hungate in Shawnee County District Court last week upheld the constitutionality of the new Kansas law designed to prevent public utilities from selling radios, gas appliances and other merchandise. The ruling denied injunctions sought by a number of gas company subsidiaries of the Cities Service Company against enforcement of the act.

Greeting Cards of Wood

SEATTLE—Greeting cards of sliced wood will soon be distributed nationally by the Wood Slice Products Company here, which has recently opened offices in Los Angeles and Portland. Another office in San Francisco also is planned.

Government in Business

BY JAMES TRUE

Director, Washington Bureau

WASHINGTON, D. C., November 4.—The President's plan of coordinating effort for the practical and full utilization of statistical and other facts through trade associations will soon be put into effect. It is the culmination of years of thoughtful planning on the part of Mr. Hoover and the executive staff of the Bureau of Foreign and Domestic Commerce, and now the country hopefully expects a definite program for the stabilization of industry and the elimination of the business cycle.

In announcing the plan recently before the New York Trade Executives, Frederick M. Feiker, director of the bureau, committed his organization to a program of co-operation that has been developing for about two years. "It is time to stop talking and do something," Mr. Feiker said. "The need now is for a modicum of action in order that American business may never again confront the disastrous toboggan of the 'business cycle' without actual effective means of applying the brakes."

The program undoubtedly furnishes the strongest incentive in the country's industrial history for the organization of sound and active trade associations.

Business Improvement is unanimously recognized by a number of authorities for the first time since the stock crash. Seven economists and other government officials, consulted today, agreed that a definite upturn had taken place and that it promised to continue.

This Is No Time for Trick Selling, one noted authority declared. "A rush to gain markets," he added, "with cut prices and demoralizing inducements to buy in large quantities will seriously retard the return of normal business. With intelligent distribution, opportunities for sound merchandising of practically all branded products will increase for many months to come. Salability of merchandise is far more important just now than the inducement of money-losing prices. The country has fairly well learned that prosperity is dependent on general employment, and it is as certain that general employment is impossible without profit to manufacturers and all of the factors of distribution."

Farm Market Improvement offers encouragement for the immediate cultivation of the field by manufacturers in many lines. It is likely that the increase in the price of wheat and other products will continue. For nearly 700 years in England wheat prices have never declined through more than five consecutive years, and England has just gone through the fifth year of declining prices. Our cycle is about one year shorter, and unless the present upturn holds both England and the United States will break a very long wheat-price record.

Selling Goods Below Cost has been condemned again by an industry through the Federal Trade Commission. The recent Trade Practice Conference of bank and commercial stationers adopted as Rule Six of Group One:

"The sale of goods below cost, with the intent and with the effect of injuring a competitor and where the effect may be to substantially lessen competition or tend to create a monopoly, or to unreasonably restrain trade, is an unfair trade practice."

Capital Pools for Real Estate Mortgages are being seriously discussed and would undoubtedly hasten the return of confidence. Pools of the kind, to cover urban mortgages, may be one of a number of constructive results to come from the President's Conference on Home Building and Home Ownership early next month.

Opposition to Sales Taxes is being organized throughout those industries which anticipate an effort to tax the sale of their products. Other industries are reported to be falling into line for fear of a general sales tax. Officials say that the Treasury has not evolved any definite plan; but there is no doubt that it will endorse a sales tax bill early in the next session of Congress.

A Critical Period of three or four months is ahead of the country, according to several government authorities. Raids on the Treasury, tariff tinkering, drastic or radical legislation and unsound schemes for unemployment relief, all are dangerous possibilities. The Senate committee that is studying Senator LaFollette's bill for a national economic council is hearing little of political importance from witnesses; but it is learning a great deal that may modify the expected activities of radically inclined Congressmen.

An Advertising Trade Practice Conference, suggested by an official of a large New York department store, has been endorsed by Federal Trade Commissioner W. E. Humphrey, who would include newspaper and other publishers as well as advertising agencies. He estimates that \$200,000,000 of fraudulent advertising was refused by publishers during the last year, and said that no publisher has complained that obedience to the rules of the publishers' conference of 1928 has injured his business.

Increasing Demand for Five-Cent Cigars indicates a trend that is affecting the sale of many other articles. B. D. Hill, chief of the Tobacco Division of the Department of Commerce, recently stated that more than 102,000,000 nickel cigars is the increase during the first nine months of this year over the same period of 1930. The consumption of snuff also increased; but cigarettes fell off in sales about three per cent.

Dirigible Transportation may be developed to a degree of industrial expansion that will take up employment slack. The trial trip of the "Akron" over Washington last Monday was apparently so successful as to cause a great deal of discussion regarding the practicability of dirigibles. "The Navy has built the Akron," Ernest Lee Jahnce, Assistant Secretary of the Navy, said, "not only to demonstrate her usefulness for naval purposes, but for a new and more rapid means of international communication and commerce."

Editorials

THE LEAN INVENTORY EXTREME: The present tendency is away from exhortation to the consumer to buy now as a means of promoting the general good, in favor of advice to manufacturers and merchants to reinforce their depleted inventories so that they can take advantage of opportunities to sell goods. Shelves and floor space are barer than usual even during hand-to-mouth spasms. With increase of more confident feeling and growing evidence of cessation of price declines the situation now upon us is full of interesting possibilities. Very cautious buyers may still wait for further signs; we must yet rely to some extent on the evidence of things not seen. But with the near approach of real winter and the holiday season the temptation to lay in ample stocks will be hard to resist. This is no doubt the thought behind the timely observation of Clarence Francis, president of the General Foods Sales Company, that a 10 per cent increase in inventories by producers, jobbers and dealers (facilitated by expansion of banking credits) would do much to start the ball of prosperity rolling again. Many dealers have told him that they lacked sufficient merchandise for special sales. They are unable to keep up with the normal flow of business. . . . But irritating as this state of affairs is, it is far healthier than the other extreme. We got into trouble because of over-expansion. The pinch of over-contraction is a symptom of readiness to get back to a degree of equilibrium essential to sound functioning. We have learned a good deal in the last two years about the evils of over-production. A spell of under-distribution should have taught us the wisdom of avoiding either extreme. The best way to do that is to confine production and selling to merchandise which the public wants. It is the slow sellers that pile up burdensome surpluses.

BUNGLING THROUGH: Albert H. Wiggin, chairman of the world's biggest bank, has been talking to a Senate committee about the futility of councils brought together with the avowed purpose of hastening a business millennium in which supply and demand will be always equal and none shall go hungry for lack of gainful occupation. He does not believe in supermen any more than he believes in ghosts. He thinks each generation must manage its own affairs as best it can with the help of such experience as it can gather in its own brief span. He regards ups and downs as a part of life, and is of opinion that we cannot by taking thought level them out any more than we can add a cubic to our stature by the same means. . . . History seems to back him up. No retrospect gives much support to confidence

in man's ability so to regulate his affairs that they shall be free from the vicissitudes of existence in this vale of tears. We seem to have progressed through the low places of worry and travail and over the high places of triumph and elation without much guidance. Yet, though the philosophy of Mr. Wiggin appeals strongly to common sense and the spirit of individualism that governs most of our conduct, it will not close the door to those who seek wisdom in counsel. It is not superwisdom they are looking for. Enough for them if, in spite of many failures, they can find through united effort a way to promote the common cause in some degree. To refuse to try because others have not succeeded is not the American habit.

LOOKING WAGES IN THE FACE: It is of distinct help to clear thinking and sound action that delusions obscuring the wage situation should be cleared away. Ford Motor's adoption of \$6 as a basis for a day's work in place of the nominal \$7, established as an emergency rate in December, 1929, is a useful though belated acknowledgment of things as they are. Of the same character is the proposal to New York Central Railroad employes for a voluntary one-year 10 per cent cut to meet existing conditions. In both cases it is taken for granted that everyone concerned understands what has been going on under cover of a barrage of assertions regarding the inviolability of wage scales. . . . Now that the air is clearing we shall undoubtedly soon reach a common sense footing and proceed confidently. Just what purpose was served by the long-sustained effort to maintain the pretense that wages were being kept up to high-price levels in an era of low-price levels is still difficult to determine. Presumably it was believed that such talk as we heard would tend to retard the inevitable adjustment. Whether it did so or not we cannot say. We know only that the march of events continued notwithstanding, and that the disparity between word and deed kept alive apprehensions which did no good. . . . As far as practical effect was concerned, all that was accomplished by those who were deluded by the camouflage was a diminution of the number of jobs available. In other words, so long as wages were kept above the level warranted by the lowered cost of living, the wage fund at the disposal of employes could not be spread out as far as was desirable from every point of view. United States Steel has added substantially to the number of its employes since its wage scale was reduced, because at the lower rate it can afford to increase its force. With return of frank treatment, this highly desirable improvement is likely to become general.

IN THE WORLD'S LARGEST AUDITORIUM

W P G

Its Studios, Reception Room and Business Offices are located in the Atlantic City Auditorium and Convention Hall. (The large Hall seating 41,000 people.)

15,000,000 visitors come to Atlantic City yearly; some time during their visit they come to the Auditorium. Thousands visit our studios. Glimpse behind the scenes of a broadcasting station . . . Tune in W P G on their return home—and hear the resort activities at all times. Many of them are or can be customers, tell them your story through W P G.



RECEPTION ROOM OF WPG—LOUD SPEAKER INSTALLED FOR YOUR CONVENIENCE

WPG BROADCASTING CORPORATION

STUDIOS LOCATED DIRECTLY ON THE FAMOUS BOARDWALK

ATLANTIC CITY

Operated by the COLUMBIA BROADCASTING SYSTEM

How Much Do Your Competitors Spend In Newspapers?

SALES MANAGEMENT'S annual compilation of Newspaper Lineage Figures of General and Automotive Advertisers is now ready.

- All advertisers (2,203 of them) using any space in three or more of the ninety largest cities.
- Total lineage for last year.
- Divided into 21 major groups of products and 42 sub-classifications.
- Special section on rotogravure lineage, also classified by products.

Advertisers, their advertising agencies, and newspaper executives will find this record helpful in planning their campaigns.

Price 35 Cents

We are distributing this tabulation at the nominal price of thirty-five cents. Because of the small price charged we cannot send copies on approval, nor can we open bookkeeping accounts. Readers should therefore remit by check or stamps when ordering.

SALES MANAGEMENT

420 Lexington Avenue
NEW YORK CITY

What We Are Telling the Salesman Who Is Begging Us to Cut Prices

(Continued from page 197)

quaints his original source of supply with this fact, and in addition seeks bids from new sources, some of which, in their anxiety to increase their business, make attractive sub-normal price offers, which fact is immediately communicated to the original source of supply. Thus the original producer is faced with the necessity of either meeting the lower quotation or finding a new outlet for that part of his production which his customer represents.

He soon ascertains that it is difficult to interest new customers unless he modifies his prices to meet the sacrifice quotations offered by competitors, and he therefore decides, for the time being, that it would be good business to retain the patronage of his customer and accept the new commitment at the lowered price level. He then proceeds to recalculate, and finds that he can effect no saving on actual raw materials, as these had been originally figured on the basis of the deflated prices. He decides, therefore, that in order to break even the only course to pursue is to readjust his labor wages to meet the reduced level of selling prices, and proceeds accordingly.

As labor is extremely vulnerable to being squeezed, due to fear of unemployment, a new schedule is easily arranged and posted, with a substantial reduction in wages. In consequence of this, a still further contraction in consumer purchasing power becomes inevitable. The loss represented by curtailed spending ability of those affected cannot be overcome by still further price reduction appeals, as family budgets are rearranged and expenses reduced to meet the reduction in income.

At the inception this entire procedure had been prompted by the merchant's desire to attain his end, and indirectly resulted in curtailing attainable volume due to reduced spending power by those affected by lower wage scales.

Consequently, it should be apparent that merchandisers and buyers would be benefited by a changed formula in making their purchases so as to enable the producer and manufacturer to accept business on a quality basis at a fair price. For the latter two this would remove the danger of further compulsory reduction in wages—thereby making for more stabilized

quality and prices, which would insure against further increase in the number of unemployed.

All buyers should be instructed to post themselves as to the deflation which has taken place in the raw materials used in the manufacture of the products which they buy, so as to avoid unnecessary pressure by them for further unwarranted reduction in prices by the manufacturer. Such price reduction must, in turn, place the responsibility of additional wage reduction on the manufacturer, unless it is agreed that the quality of the product should be lowered to meet the reduced price.

Therefore, owing to the existing danger of increased unemployment and the fear on the part of those now employed that the present wage scale may be subject to revision at any moment—possibly to a level which would restrict the purchases of those that work to merely the bare necessities of life—it might be a good plan, although quite radical from the up-to-date business angle, for a merchant to adopt the policy of making his purchases through sources whose products would require a certain amount of labor employment.

In conclusion, the merchant himself can lay the foundation leading toward an early termination of present conditions, first by relenting somewhat in his ambition to further depress prices; second, by educating his customers to purchase quality merchandise on a normal basis, and a price fair enough to help maintain a high standard of wages; third, by careful study of all products which he purchases and discouragement on his part of offers by competitive sources to supply inferior merchandise at a sacrifice. He can go even further by looking into the consequences of forcing price concessions from manufacturers who, in order to avoid loss, find it necessary either to take the difference in price out of the quality or to compel the worker to accept lower wages. Finally, he can resolve to make purchases for the time being not entirely of machine produced merchandise, but to give some thought to the amount of employment necessary for the manufacture of his requirements. For, if the worker cannot purchase more liberally, we must look forward to a prolonged period of the present conditions.

These most valuable booklets of the week will be sent free to executive readers who make a separate request for each one on their business letterheads. Booklets will be mailed by the companies which publish them.

Address SALES MANAGEMENT, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

Markets

Distribution Efficiency Applied to Plant Location. Marketing executives concerned with prevailing problems of national distribution will find in this booklet a summary of new methods and new standards for analyzing and evaluating markets, as worked out by the Philadelphia Business Progress Association. The method of procedure as offered is elaborate and carefully worked out, and in Tips we can make only a very sketchy attempt at describing the technique. But what they have done is this:

1. The United States was divided into four major groupings of the states: the Atlantic States group, the East Central group, the West Central group and the Pacific States group.

2. Each of these groups was measured for distribution effectiveness on the basis, not of population units, but by units of spendable income and units of industrial purchases. (Spendable Money Income figures computed and published by SALES MANAGEMENT, September, 1930.)

3. A "center of gravity" principle was devised by which a certain geographical point in each zone was determined, again on the basis of buying power plus a figure representing the average number of miles of travel from that center necessary to reach each dollar of spendable income within the zone, the cost of transportation being the most influential factor in the development of a market.

You will find in this book analyses of all four zones from the standpoint of the usual indices of purchasing power quality: spendable incomes, industrial purchases, retail outlets, savings, total deposits, etc. Profusely illustrated with maps and graphs.

Media

Report on a Survey of the New York Morning and Sunday Newspaper Reading Habits of the Members of the New York Stock Exchange. Advertisers interested in reaching leaders in finance, and those who measure the character of a medium by the reading habits of this group, will pounce on this independent study made by Walter Mann & Staff through personal contacts with 75 per cent of the members of the Exchange. They were asked which of the five New York morning and the four Sunday New York newspapers they read regularly and which of these they read and preferred for financial news.

The booklet gives the results, and whether you think you know the answers or not, we'll wager you'll find some real surprises in the findings.

CHICAGO—B. E. Klank is now advertising and sales promotion manager of Transformer Corporation of America.

"GREATER ST. CLOUD," MINN.

—Includes 27,081 Stearns County Farm People!



ST. CLOUD is one of 1,300 towns in Minnesota and the Dakotas where merchants buy with an eye on farm folks' demands. In every trading center (excluding only Minneapolis, St. Paul and Duluth) merchants depend upon the Northwest's million and a half farm people for 65 to 85 per cent of their total business.

More than half of the Northwest's population lives on the farm. There are more homes on farms than in all cities and towns combined.

Your sales campaign in this vast market of 1,610,000 farm people should have the aid of a consistent advertising schedule in the columns of **THE FARMER**. This home paper of the farm has 272,000 subscribers, which is the largest circulation of any publication in the territory, regardless of type, for city or country.

THE FARMER

Farm, Stock & Home

Saint Paul, Minnesota

An Institution in Minnesota and the Dakotas
Since 1882

The 50-50 Market — 50% Rural; 50% Urban!

50-50

New York

Wallace C. Richardson, Inc.
250 Park Avenue

Chicago

Standard Farm Papers, Inc.
Daily News Building



Member Standard



Farm Paper Unit

Yes, The Demand Has Been Heavy

Additional Copies of

Tip Top Salesmen

by Ray Comyns

are now available at the price of 25 cents per single copy or 20 cents per copy for orders amounting to 50 or more.

When sending orders please attach either stamps, check or currency.

SALES MANAGEMENT
420 Lexington Avenue
New York City, N. Y.

"AN ADDRESS OF DISTINCTION"



Exceptional in Every Detail

THE finer character of THE DRAKE accommodations, foods and service is reflected in the continued patronage of seasoned travelers . . . and in the extra comfort the guest enjoys. Rates begin at \$4.00 per day. Permanent Suites at Special Discounts.

THE
DRAKE
HOTEL, CHICAGO
Under Blackstone Management

Chewing Gum's Star Salesman Licks His 1931 "Quota"

(Continued from page 195)

As I said in the beginning, Mr. Wrigley understands depressions. He was the first man in Chicago to act to relieve unemployment when men, last fall, began holing up for the night under the Michigan Avenue bridge.

He turned over a factory building he owned to the Salvation Army. He equipped it at a cost of \$15,000. In the cold weather as many as 2,700 men slept in it, in beds. It houses, even in good weather, 500 nightly. He financed it for a long time at his own cost, and still gives. Finally, seeing that the situation would last, he deeded the building to the Salvation Army. It was a tolerable gift for the tax assessors had valued the building at \$384,000.

No interview with "Bill" Wrigley is complete these days without the subject of cotton and baseball. For he is trading chewing gum for cotton in the south; hundreds of thousands of dollars for cotton.

"Just how much cotton?"

"Considerable," says Mr. Wrigley with a twinkle.

Well, perhaps that was prying in too close.

But the baseball business? That's more of a public secret.

"We were all set for a slump in business in baseball," he said. "It didn't come. The Cubs have done very well. Not up to 1929, of course, but way beyond our expectations."

"Rogers Hornsby?"

"There's a man," snaps Wrigley. "Not a nerve. Why, in one of our late season extra-inning games when he put himself in as a pinch hitter, bags loaded—and hit a home run! That took courage. . . ."

Guess the Owner thinks well of the Rajah. Even when he's taking it on the chin. William Wrigley can take it on the chin. He has. He sold newspapers in New York and slept under wagons when he was eleven years old. Broke, he waited on table in a cheap restaurant in Kansas City when he was nineteen.

He arrived in Chicago, at thirty, with thirty-two dollars in his pocket. He ran that into \$100,000 and went broke trying to conquer the New York field. He returned home, smiled, got another \$100,000, earned as a salesman, went back to New York and dropped that. Home again, he got together \$250,000, also earned, and

took the third try at New York.

This time he won and won big. And now I want to tell a story about Wrigley that he didn't tell me. It's a story of his youth that illustrates the manner of the man. He was a boy—selling soap. There was a merchant in an eastern town who, an ex-salesman himself, had a hell-raising, rip-roaring hate against salesmen.

A rival local merchant, seeking a new hat, baited the kid Wrigley into betting a hat that he could get an order from him. Wrigley entered the man's store to find him in an evil mood, bawling out a customer.

When Wrigley introduced himself the man exploded. He told him he was a rotten salesman, had a rottener approach and landed on him, figuratively, with all eight feet.

"You're just the man I want to know," said Wrigley. "I realize I'm just a kid, just learning, anxious. Show me what I should have done. Help me with my sales talk."

The man did, volubly, letting his ego have full sway. Wrigley listened, eagerly.

"Now see if I can do it. I'll go out and come in again."

He did, repeating the man's talk verbatim, with all his gestures and forensics.

"That right?" asked Wrigley.

"Fine," said the man, and carrying through gave him a big order.

Wrigley got the hat.

This interview took less than twenty minutes. You can get a lot of ideas out of William Wrigley in that time. A college professor, for example, has just told him that stenographers all ought to chew gum while they work. Calming to the nerves; more output.

And the subject of "taste buds," by their discoverer. Gum between meals, between smokes, makes the next one better. Biggest newspaper advertising campaign ever to come up on a single commodity is now under way telling about taste buds. And gum.

Ice cream, too cold, paralyzes the taste buds. Drinks, too hot, paralyze the taste buds.

"Thanks, Mr. Wrigley, good-bye."

"Life's a game," he says, "Like baseball . . . business, too . . . victories . . . reverses . . . trouble . . . fun . . . yes . . . life's a game . . . business is a game . . . I like to play 'em both."

Media

Probably you've spotted *True Story's* announcement of downward advertising rates revision. Then you've noticed that the 1932 circulation guarantee has been pared to 1,800,000 from the erstwhile inflation-period figure of 2,000,000. As Harold Wise of T. S. observes in his announcement of the change, they might, if they had been un-Wise, have brought artificial pressure to bear on their circulation methods, and kept the A. B. C. figure pegged up to the 2,000,000 mark. But by hanging on to the outworn ideal of quantity precedent, they would have had to sacrifice their greatest claim to distinction—the magazine with the greatest natural newsstand gravity. A less sagacious publisher might have chosen the other way; by this act T. S. has earned the continued allegiance of its advertisers, and the respect of other publishers.

By the way, we wonder if publishers are aware of a recently observed technique of magazine-selling that seems to us to be just too uncomfortably close to the brim of high-jacking. We were sitting in the subway the other night when a youngster dashed through the car, thrusting copies of his magazine onto the laps of the passengers, in the current fashion of the professional panhandler. We didn't like it, and if receipts mean anything, neither did anyone else in the car. It would be our guess that it hurt that magazine, more than it helped it.

It was on October 26 that McGraw-Hill vanned their thirty-two papers, and betook themselves up to their fine new building at 330 West 42nd Street, New York, from their old quarters at 370 Seventh Avenue. If you haven't already changed your records, better do it now. Incidentally, *Factory and Industrial Management* and *Maintenance Engineering*, until recently in Chicago, are also putting up at 330. Quite comfy now, M-H?

The San Francisco *Call-Bulletin* announces the appointment of Ingraham Read as national advertising manager.

Another notice of address change: Chicago office of *National Geographic Magazine* to the Palmolive Building, 919 North Michigan Avenue, Chicago.

Those who are transacting business with the Westinghouse Radio Stations will be interested to know that there's a new personnel set-up in various parts of the country. Oliver Morton, for instance, goes from the Chicago office to *WBZ*, Boston, and *WBZA*, Springfield, as commercial manager. Milton W. Stoughton takes Mr. Morton's place in Chicago. Stanley L. Spencer, heretofore with *KDKA*, migrates to Springfield to be on the commercial staff of *WBZ-WBZA*. These changes, we have it from Westinghouse, are calculated to make commercial negotiations with them even more pleasant.

The staff of the *Cleveland Press* and all who have had relations with the advertising department of that paper are mourn-

ing the death of Howard A. Waller, their gifted thirty-three-year-old national advertising manager. Mr. Waller died on October 25.

Effective January 1, 1932, the *Progressive Farmer and Southern Ruralist* will establish its own Eastern and Western offices; the former at 250 Park Avenue, New York City, in charge of Wallace C. Richardson, and the Western office in the Daily News Building, Chicago, in charge of Paul Huey. Fowler Dugger, advertising manager, will transfer his office from Birmingham, Alabama, to 250 Park Avenue, New York City. Bruce Hall will become assistant advertising manager, located at Birmingham.

According to Earle Macausland, *Parents' Magazine* expects to double its net paid A. B. C. circulation as of January 1, 1931, by January, 1933, viz.: 300,000 being the

objective. At that time present rates will be upped about two-thirds. Meanwhile, 1932 buyers are profiting by the steadily increasing "velvet" while they may.

The celebration of the Los Angeles *Evening Herald's* twentieth birthday, on November 2, was an occasion meriting more than the small square of space left in this paragraph for its description. We've turned the story over to Mike Hughes to run in the News section, therefore, and you'll find the colorful affair described on page 205.

Corliss Joins Fay & Eagan

CINCINNATI—After fifteen years as advertising manager of the S. A. Woods Machine Company, Boston, George H. Corliss has become advertising and sales promotion manager of J. A. Fay & Eagan Company here, manufacturer of woodworking machinery.

NOW IS THE TIME TO ORDER YOUR

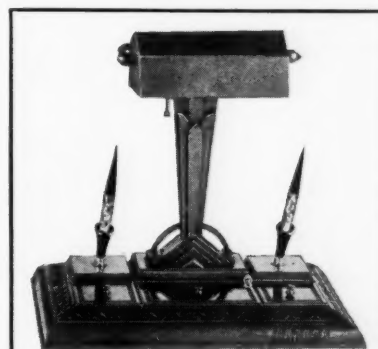
Genuine Engraved Greeting Cards

YOUR CARD MAY WIN HANDSOME TROPHY

BE foresighted! Order your firm's Genuine Engraved Christmas Cards now, while advance delivery is assured. Avoid the disappointment that often comes with a last-minute rush job.

A concern's holiday greeting can mean much—or nothing. A distinguished message of respect and appreciation builds good-will. It inspires the cordial relationship that leads to future profits. A shoddy, makeshift card represents only wasted money and wasted opportunity.

Make your Christmas card as *genuine* as the sentiment! Insist upon Genuine Engraving, the time-honored art that truly interprets the Christmas spirit. And enter your firm's card in the contest described at the right, to be eligible for one of the twelve valuable awards.



This \$100.00 Parker DeLuxe Desk Set, first prize in each of the four divisions of Genuine Engraving, will make an impressive addition to your office. Bronze finish, adjustable lamp; convertible pen and pencil, may be carried in pocket; five concealed trays. Stands about 12 inches high; base 15¼ by 9¼ inches.

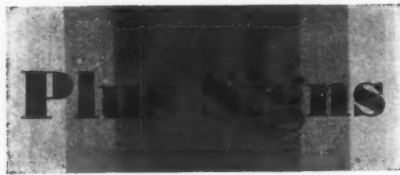
12 VALUABLE AWARDS

You may enter any or all of the contests: Genuine Engraved Greeting Cards, Letterheads, Business Cards or Business Announcements. Ask your E. S. M. A. engraver or his agent for free entry blank and award rules. Contest closes December 31, 1931. For list of E. S. M. A. members in your city write Engraved Stationery Manufacturers Association, 250 W. 57th St., New York City.

THE MARK OF ENGRAVING



MEANS GENUINE QUALITY



+++ FROM THE LOW PRICES OF OCTOBER 5 the gross value of carry-over and new crops of cotton, wheat and corn increased by the end of the month as follows: Cotton, \$169,000,000; corn, \$307,000,000; wheat, \$263,000,000. That means a lot in purchasing power of farmers.

+++ THE FIFTEEN CENT ADVANCE in crude oil prices adds approximately \$97,380,750 to the valuation of the oil in storage in states east of California.

+++ CURRENCY IN CIRCULATION declined \$24,000,000 last week—the first decline since July and possibly marking the end of hoarding.

+++ UNITED AIR LINES third quarter report shows marked increases over last year in number of passengers, pounds of mail carried and miles flown.

+++ CONFIDENCE IN THE IMMEDIATE FUTURE was shown last week by Bethlehem and United States Steel in continuing their dividend policy, by the W. T. Grant Company in announcing that they would open thirty new stores, by the Melville Shoe Company's decision to open fifty new stores and remodel 478 others, by Atlantic and Pacific Tea Company's declaration of an extra dividend of twenty-five cents on the common stock, by Clinton Carpet Company in maintaining its 1932 advertising appropriation at the same figure as 1931, which in turn represented an increase of more than 40 per cent over 1930.

+++ A REAL INDUSTRIAL CLIMB HAS BEGUN IN THE SOUTH. The new plant of the Clark Thread Company, near Atlanta, will employ 600 workers and numerous other textile mills are running full time, including night shifts. Customs collections at the port of New Orleans for July, August and September combined show an increase of 93 per cent over the same months of last year, and in the same city 178 new business concerns have opened

and 193 old ones have expanded operations since the first of the year. In Richmond customs receipts show an increase, 200 additional workers are being employed by the R. J. Reynolds Company, and the DuPont Rayon Mills are now operating at full time.

+++ THE KELLOGG COMPANY, in Battle Creek, is employing 20 per cent more workers than a year ago, while in Niagara Falls the National Biscuit Company's plant has the largest number of employees in its history. Other companies to report payrolls just as large as in boom times are Kimberly-Clark, Isco Chemical and Mathieson Alkali.

+++ STOCK MARKET VALUES rose approximately two billion dollars during October.

+++ NEW FREIGHT CARS ordered during October by the railroads totaled 798, as compared with only three in September.

+++ MAXWELL HOUSE COFFEE SALES in October were substantially higher than in the same month last year and production at their Brooklyn plant last week was the greatest in the history of the company.

+++ MIDDLE WEST UTILITIES SYSTEM, which serves parts of thirty-one states, reports that sales of electrical current are running 6.3 per cent ahead of last year.

+++ NEW ENGLAND DEPARTMENT STORE sales in September were approximately 1 per cent ahead of last year, with Boston stores reporting a gain of 5 per cent. Residential building in New England states (square feet) increased moderately in September to the highest level of the year to date.

+++ HOLLAND FURNACE COMPANY September retail sales through their 575 factory branches were within one-half of one per cent of the total for September, 1929, which was the largest September volume in the company's twenty-five years.

+++ SOUTHERN FURNITURE MAKERS have for the second time in six weeks increased production, and new and higher prices took effect this week. It is estimated that by the first of the year wholesale prices will have increased 15 to 25 per cent.

+++ STRIKING INCREASES IN NET EARNINGS were reported this week by:

	1931	1930
Third Quarter—		
General Cigar Co....	\$ 844,172	\$ 839,977
Bush Terminal Co....	420,805	365,749
Coca-Cola Co.	5,165,000	4,899,090
Amer. Machine & Metals Co.	1,059	def169,191
Nine Months—		
Coca-Cola Co.	\$12,599,997	\$12,080,902
Ward Baking Co....	1,714,541	1,574,458
Bendix Aviation Corp..	1,787,976	1,718,184
Autosales Corp.	12,736	def19,958
Hershey Choc. Co....	6,485,814	6,215,007

+++ LOADINGS OF REVENUE FREIGHT for the week ending October 24 increased 7,954 cars over the preceding week.

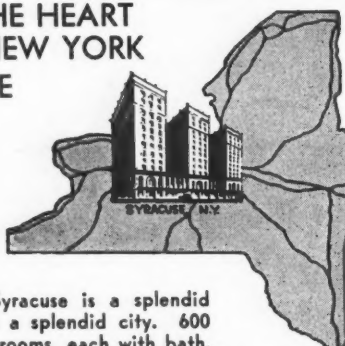
+++ THE FISK RUBBER COMPANY PLANT at Chicopee Falls, Massachusetts, has reopened after a long shutdown, employing 1,600.

+++ CALIFORNIA INDUSTRIES showing gains in employment or wages over preceding months include: metal trades, furniture factories, leather and rubber goods, paper products, publishing, clothing, millinery and laundries.

+++ IN THE YAKIMA VALLEY DISTRICT OF WASHINGTON more than \$6,000,000 will be spent during the coming months on construction work by governmental authorities.

PHOTOSTATS
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PHOTO-PRINT CORP.
 42 Broadway 33 West 42nd St. 80 Maiden Lane
 Tel LONGacre 8645
PHOTOGRAPHS

IN THE HEART OF NEW YORK STATE



Hotel Syracuse is a splendid hotel in a splendid city. 600 outside rooms, each with bath. \$3.00 up. Powers Hotel, Rochester, N. Y., under same management.

HOTEL SYRACUSE

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display
Cash Basis Only. Remittance Must Accompany Order

AGENCY WANTED

MANUFACTURER'S AGENT IN CLOSE touch with automotive industry in Michigan desires additional lines. Now successfully representing leading parts maker. Long experience. Correspondence solicited. George D. Huntington, 1802 Ford Building, Detroit.

EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service of recognized standing and reputation through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each

client's personal requirements, your identity covered and present position protected. Established twenty-one years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FROM our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nationwide, running to \$100,000 monthly. 35 years salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis, 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

TORONTO
HAMILTON
HALIFAX
MONTREAL
LONDON, Eng.

"GIBBONS KNOWS CANADA"

J. J. GIBBONS Limited, Canadian Advertising Agents

WINNIPEG
REGINA
CALGARY
EDMONTON
VICTORIA
VANCOUVER